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One of the largest gas blocks in the world

REPSOL WILL MULTIPLY SEVENFOLD ITS PRODUCTION IN BOLIVIA'S CAIPIPENDI BLOCK

- Repsol's Chairman, Antonio Brufau, and Bolivia's President, Evo Morales, reached an agreement to develop this block with resources of 3.7 Tcf (equivalent to three years of Spanish gas demand).
- Antonio Brufau and Evo Morales emphasised the atmosphere of mutual understanding and cooperation in one of Latin America's biggest energy projects.
- Repsol will raise its gas production sevenfold to reach a daily production of 14 million cubic meters in 2013.
- The company will invest 400 million euros in developing Caipipendi until 2013.
- The Caipipendi block includes the Margarita and Huacaya fields, the latter being one of the 5 largest gas finds made worldwide in 2008.



Repsol's Chairman, Antonio Brufau and Bolivia's president, Evo Morales, reached an agreement in La Paz to develop the Caipipendi block, whose production will rise sevenfold during the next 5 years to reach a daily output of 14 million cubic meters.

The block contains resources of 3.7 trillion cubic feet of gas for the developing consortium, which will be incorporated to the company's reserves in the coming months.

Bolivia's Minister of Energy, Oscar Coca, the Chairman of YPFB, Carlos Villegas, Repsol's Executive Director for Upstream, Nemesio Fernández-Cuesta, and Repsol's Country Manager in Bolivia, Luis García Sánchez were also present at this meeting.

Antonio Brufau explained to the Bolivian leader Repsol's commitment in carrying out the development plan in the Caipipendi Block, which will multiply by seven the current production levels in 2013, and implies an investment of 400 million euros.

The Caipipendi block is located in the south of Bolivia, in the Tarija and Chuquisaca regions. All the reservoirs in that area will be developed and exploited by a consortium made up of Repsol YPF Bolivia S.A. (37.5% - Operator), BG (37.5%) and PAE E&P Bolivia (25%) in line with the conditions agreed with Yacimientos Petrolíferos Fiscales Bolivianos.

The Margarita and Huacaya fields cover a surface area of 123,000 hectares including 5 wells—at a depth to between 4,000 and 8,000 metres--drilled between 1998 and 2008.

The margarita field began producing in December 2004 following the construction of a gas treatment plant. The field currently produces 2 million cubic metres a day of gas.



Bolivian President Evo Morales and Repsol Chairman Antonio Brufau



LOCATION MAP

