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The field has reserves equivalent to more than 13 years of Spanish gas consumption

## **REPSOL BEGINS DEVELOPMENT OF THE SUPER-GIANT PERLA FIELD IN VENEZUELA**

- Antonio Brufau has signed a gas supply contract in Caracas that will allow the development of production from the significant reserves in the Perla field, Repsol and Latin America's biggest ever gas discovery and one of the largest finds in the world.
- Perla was discovered by Repsol and Eni in 2009 in the Cardón IV block, located in shallow water in the Gulf of Venezuela, 50 miles offshore.
- Production from Perla is expected to be 300 million cubic feet/day of gas in the first few years, which would eventually increase fourfold to 1.2 billion cubic feet/day.
- The estimated investment for the first phase of the project is \$1.5 billion.
- Once development has begun, PDVSA will have a 35% stake in the consortium and Repsol and Eni will each have a 32.5% share.
- Perla already has five wells that will be put into production using offshore platforms and underwater connections to take the gas onshore, where it will be processed and sent through the Venezuelan distribution network.
- Cardón IV is one of the ten key exploration and production projects for Repsol in its current development portfolio.
- Antonio Brufau: "We are very satisfied as the start of production from Perla's large gas reserves is a milestone in the history of our company's incorporation of resources, and also in the energy history of Venezuela."



Repsol Chairman, Antonio Brufau, Eni Chairman, Paolo Scaroni, and the Venezuelan Minister of Popular Power for Oil and Mining Rafael Ramírez today in Caracas signed the natural gas supply agreement that will allow the development of the vast hydrocarbons reserves of the Perla field.

The Perla super-giant field, which contains over 16.3 trillion cubic feet of gas in place, equivalent to approximately 3 billion barrels of oil, was discovered by Repsol and Eni in 2009 in the Cardón IV block, and is located 50 miles offshore in shallow water of the Gulf of Venezuela. Since the discovery, a total of five gas wells have been drilled, which will now be put into production using offshore platforms and underwater connections which will carry the gas onshore, where it will be processed and sent through the Venezuelan distribution network.

The project will be developed in phases, with the first phase entailing an estimated investment of \$1.5 billion, including the exploration and evaluation phase in which 300 million cubic feet/day of gas is expected to be produced. In the next two phases, production is set to rise fourfold to 1.2 billion cubic feet/day, which will be maintained until the end of the contract in 2036.

The supply contract, signed until 2036, with a mutual commitment to supply and purchase over 8 TCF of natural gas, will be one of the supply sources for the domestic gas demand in Venezuela, which is expected to grow along with industrial, petrochemical and power generation consumption in the coming years. Given its large size, the field also offers new opportunities for natural gas exports, which Repsol and Eni will analyze with PDVSA and the Ministry of Popular Power for Oil and Mining.

The license for the Cardón IV block was awarded to Repsol and Eni at 50% each. Venezuela's state oil company, PDVSA, will participate with a 35% share in the development of the project, with Repsol and Eni's shares at 32.5% each.

## **Repsol in Venezuela**

Repsol has been working in the Venezuelan oil and gas market since 1993, with an average production of 42,300 barrels of oil equivalent a day in 2011.

It participates in the vast Petrocarabobo mixed company project, consisting of the development, together with PDVSA, of the crude oil reserves in the Carabobo 1 Norte and Carabobo 1 Centro areas, located in the Orinoco Oil Belt. This area has one of world's largest undeveloped hydrocarbons reserves. The Carabobo block is located in the eastern part of the Venezuelan belt, which according to the U.S. Geological Survey could have of up to 513 billion barrels of recoverable heavy crude.

Carabobo 1 is expected to reach a production of 400,000 barrels per day of upgraded synthetic crude oil over a period of 40 years and includes the construction of a heavy oil upgrader capable of processing 200,000 barrels of oil a day. Part of the heavy crude from this project will go to Repsol's Spanish refineries, allowing it to take advantage of the company's commitment to advanced deep conversion techniques in its facilities.

In addition, in 2010 Repsol joined the Barúa Motatán production project, located in the Maracaibo lake basin. The operator is the joint venture Petroquiriquire, of which Repsol owns a 40% share.

#### LOCATION MAP





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