

# PACIFIC RUBIALES ENERGY CORP.

## *NEWS RELEASE*

### **ECHIDNA-1 PRODUCTION TESTING SUCCESS: FLOWS OIL AT 4,650 BBL/D IN OFFSHORE SANTOS BASIN, BRAZIL**

**Toronto, Canada, Thursday, May 07, 2015** – Pacific Rubiales Energy Corp. (TSX: PRE) (BVC: PREC) announced the production test results from the Echidna-1 exploration well in the offshore Santos Basin, Brazil. The test produced a facility constrained stabilized flow rate of 4,650 bbl/d (over two hours) from the Paleocene reservoirs with a flowing well head pressure of 504 psi on a 1” choke. Oil samples recovered during the test measured 38.6° API with a GOR of 701 cf/bbl, and no measurable CO<sub>2</sub> and H<sub>2</sub>S present.

The Echidna Prospect is located in exploration Block S-M-1102, approximately 20 kilometres north-east of Kangaroo on the eastern flank of a salt diapir in a similar geological setting to the Kangaroo oil discovery. Echidna-1 intersected a 213 meter (699 foot) gross oil column (341 feet net) in Paleocene and Maastrichtian aged reservoirs. The Company has a 35% participating interest in the block with block operator Karoon Gas Australia Ltd. (ASX:KAR) (“**Karoon**”) holding the remaining 65% interest and is operator.

As announced in a news release today by Karoon (see Karoon’s website: [www.karoongas.com.au](http://www.karoongas.com.au) “Echidna-1 Exploration Well Progress Report No 4”), DST-1 was conducted in the Paleocene sandstone reservoirs over the intervals 1,767 to 1,806 meters and 1,813 to 1,843 meters with an initial 24 hour main flow period. A stabilized oil flow rate of 3,200 bbl/d through a 44/64” choke with a flowing well head pressure of 733 psi and a GOR of 701 cf/bbl was achieved. After a 72 hour shut-in period the Echidna-1 well was flowed for seven and a half hours on increasing choke sizes with a final two hour, average stabilized flow rate of 4,650 bbl/d through a 1” choke with an average flowing well head pressure of 504 psi. Adjustments in testing facilities and procedures allowed a higher constrained flow rate to be achieved. Physical oil samples recovered measured a 38.6° degree API with a GOR of 701cf/bbl, and no measurable CO<sub>2</sub> and H<sub>2</sub>S present. Over the coming months Karoon will continue to conduct geoscience and engineering work to characterize the Kangaroo and Echidna oil fields. Further appraisal drilling is planned to commence in the near term with pre-FEED studies to be conducted in tandem with drilling.

José Francisco Arata, President of the Company, commented:

“We are very pleased with the results of the Echidna-1 discovery and production test in the offshore Santos Basin, Brazil. This is a very good oil flow rate and the Echidna discovery along with the earlier Kangaroo discovery further confirms the economic potential of the acreage we hold with Karoon. We are excited about the discoveries that have been made to date and remain committed to the forward program planned for the blocks.”

#### **About Pacific Rubiales**

*Pacific Rubiales is a Canadian public company and a leading explorer and producer of natural gas and crude oil, with operations focused in Latin America. The Company has a diversified portfolio of assets with interests in approximately 90 exploration and production blocks in seven countries*

*including Colombia, Peru, Guatemala, Brazil, Guyana, Papua New Guinea and Belize. The Company's strategy is focused on sustainable growth in production & reserves and cash generation. Pacific Rubiales is committed to conducting business safely, in a socially and environmentally responsible manner.*

*The Company's common shares trade on the Toronto Stock Exchange and La Bolsa de Valores de Colombia under the ticker symbols PRE, and PREC, respectively.*

**Advisories**

***Translation***

*This news release was prepared in the English language and subsequently translated into Spanish. In the case of any differences between the English version and its translated counterparts, the English document should be treated as the governing version.*

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