

Production Facilities Project at the Margarita Field

UN Bolivia NOA

August 2003

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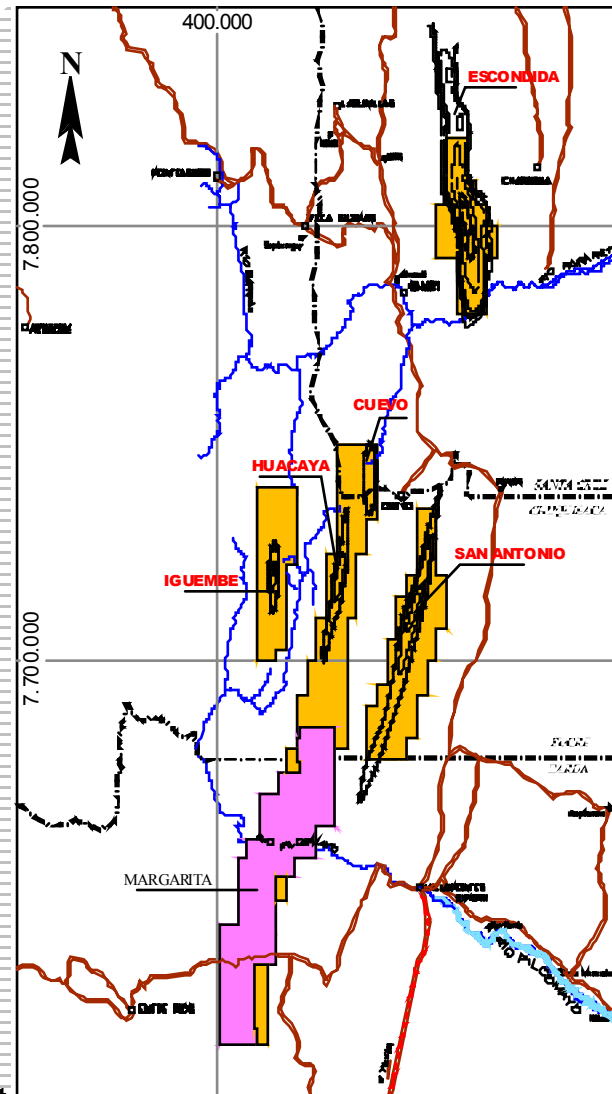
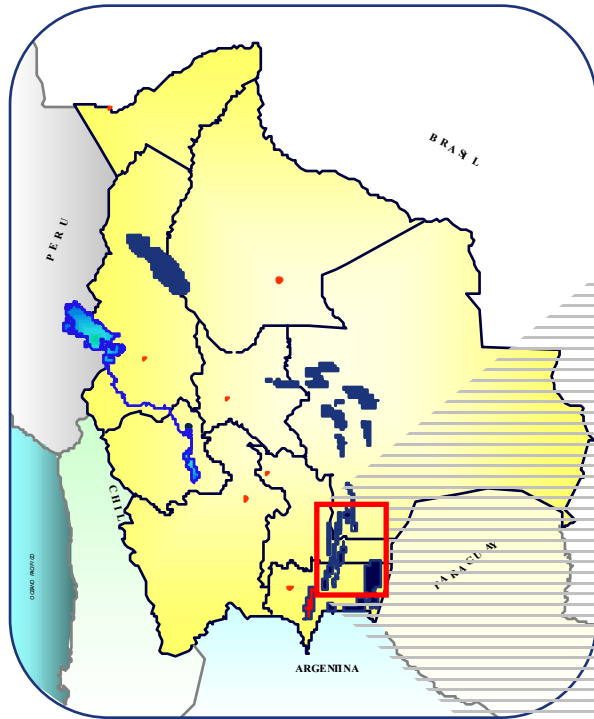
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- The Margarita Field is located at the Caipependi Block, in the state of Tarija, Bolivia.
- The following companies participate in this joint venture:
 - Repsol-YPF (Maxus): 37.5%
 - BG-Bolivia 37.5%
 - Pan American Energy: 25%
- The block is operated by Repsol-YPF
- The Margarita field was opened for commercial purposes on May 1999 and, in accordance with the Hydrocarbon Law, should start production in 2004 to meet the quota of gas sales to Brazil awarded to the field.

MAP OF THE BLOCK'S LOCATION



- The EPF-Margarita project contemplates the following scope:
 - Flow lines from the well to the plant
 - EPF facilities for the treatment of gas and liquids
 - Export lines for liquids and gas.
 - EPF camp.
 - EPF operations and maintenance

EPF: Early production facilities

TECHNICAL ASPECTS

Construction alternative

FLOW LINES

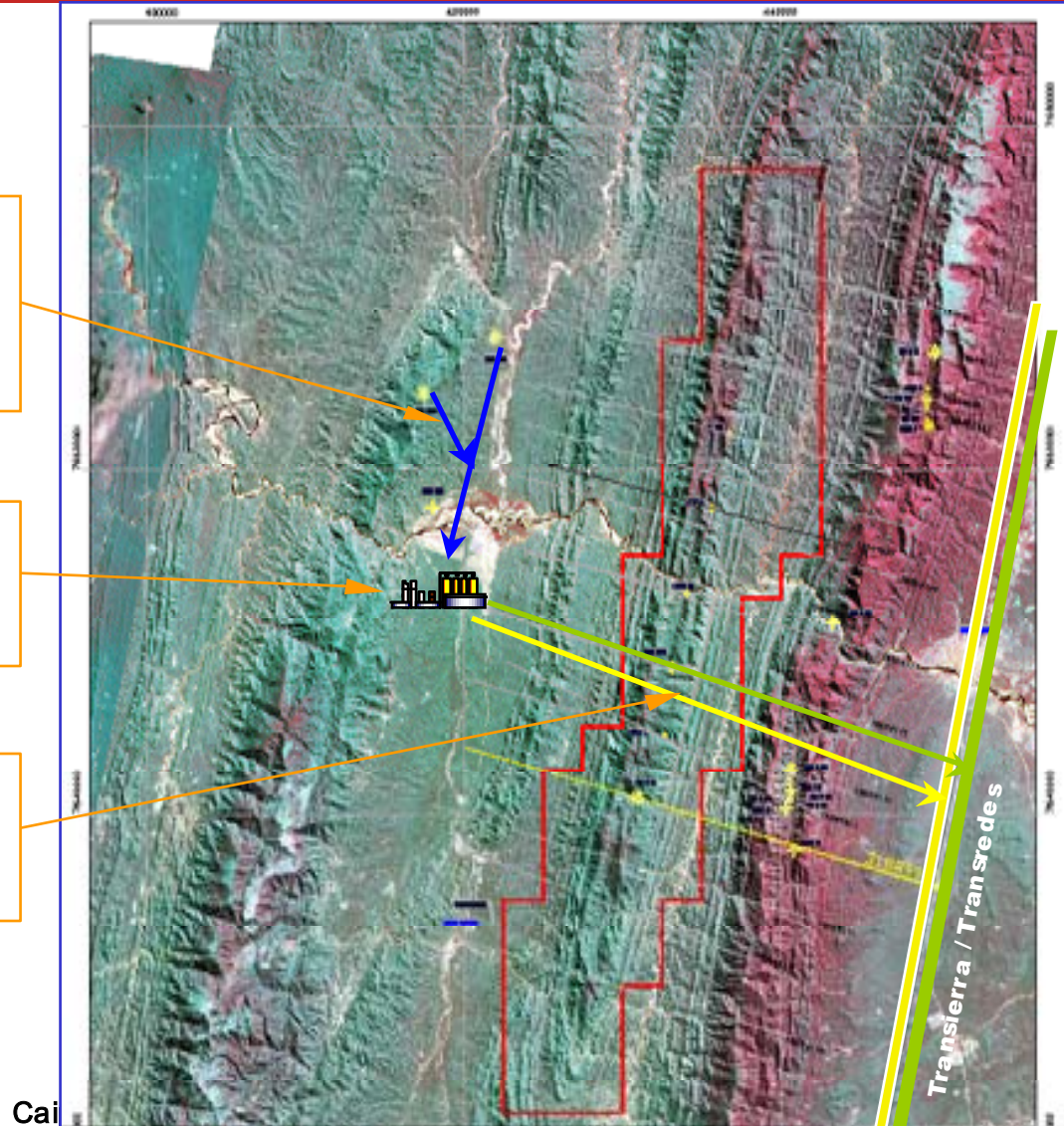
- MRG-X3
- MRG-X1
- MRG-X4

FACILITIES

- Treatment plant
- Camp

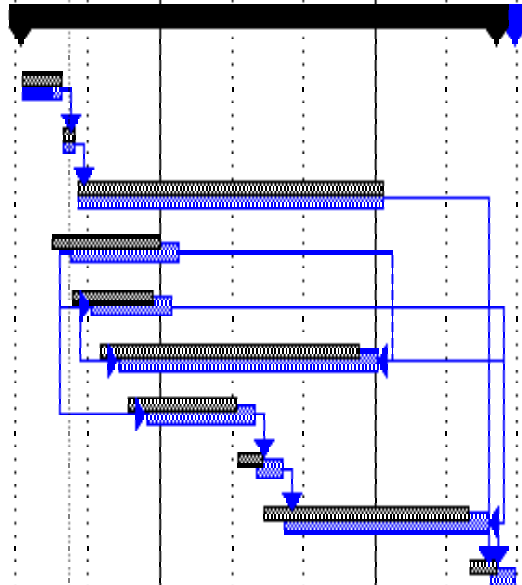
Export lines

- Gas 10", 51km
- Cond. 6", 54km



EXPENDITURES

| DESCRIPCION | | M\$US |
|-----------------|--|--------|
| X1-X3 FLOW LINE | | 4.429 |
| EPF PLANT | | 23.381 |
| EXPORT LINES | | 18.318 |
| MANAGEMENT | | 2.771 |
| CONTINGENCIES | | 0.431 |
| OTHER | | 5.442 |
| TOTAL | | 54.772 |

| Id | Task | Duración | Start | End | 1er trimestre | | | 3er trimestre | | | 1er trimestre | | |
|----|---|-----------------|---------------------|---------------------|--|-----|-----|---------------|-----|-----|---------------|-----|-----|
| | | | | | ene | mar | may | jul | sep | nov | ene | mar | may |
| 1 | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | |
| 3 | PROJECT EXECUTION - MARGARITA GTP OPTION | 361 días | mié 05/03/03 | mié 28/04/04 |  | | | | | | | | |
| 4 | <u>GTP - Select EPC Contractor</u> | 6 sems | mié 05/03/03 | mar 08/04/03 | | | | | | | | | |
| 5 | Negotiate LOI with GTP Contractor | 2 sems | mié 09/04/03 | sáb 19/04/03 | | | | | | | | | |
| 6 | Engr/Procurement/Constr. By GTP Contractor | 45 sems | lun 21/04/03 | mié 07/01/04 | | | | | | | | | |
| 7 | <u>P/L, F/L & Wellhead - Basic Engineering (EPFM)</u> | 16 sems | mié 16/04/03 | jue 17/07/03 | | | | | | | | | |
| 8 | RFQ's / PO's (Repsol) | 12 sems | sáb 03/05/03 | vie 11/07/03 | | | | | | | | | |
| 9 | Fabricate/Deliver P/L, F/L & WH Materials | 38 sems | mar 27/05/03 | vie 02/01/04 | | | | | | | | | |
| 10 | Select Pipeline/Wellhead Construction Contractor | 16 sems | jue 19/06/03 | vie 19/09/03 | | | | | | | | | |
| 11 | Mobilize P/L, F/L & WH Contractor | 4 sems | sáb 20/09/03 | lun 13/10/03 | | | | | | | | | |
| 12 | Pipeline Construction | 30 sems | mar 14/10/03 | lun 05/04/04 | | | | | | | | | |
| 13 | System Commissioning and Start-up | 20 días | mar 06/04/04 | mié 28/04/04 | | | | | | | | | |

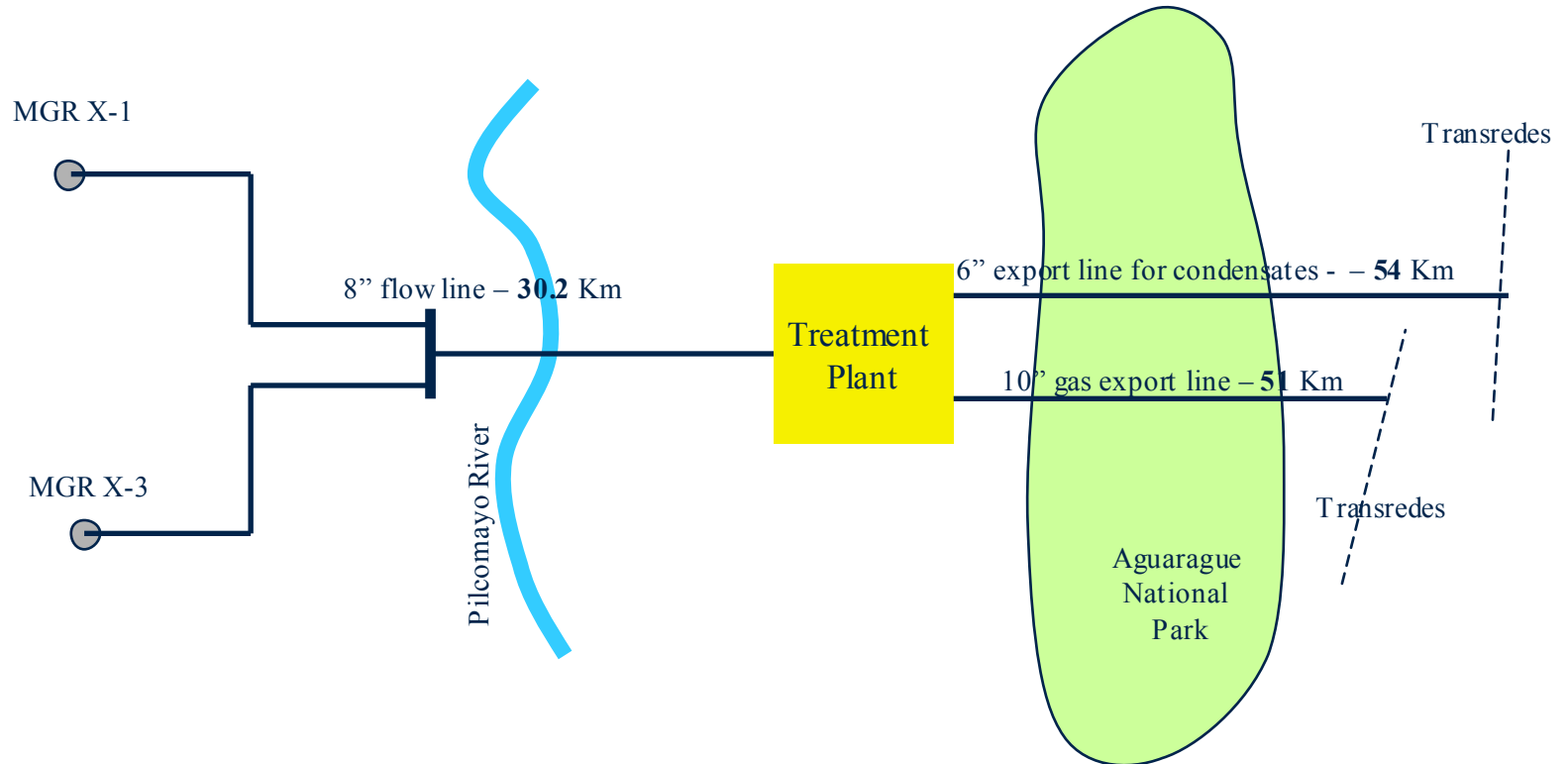
MARGARITA FIELD FLOW LINE AND EXPORT LINES

- **FLOW LINE :**
 - **Installation of MGT-X1, X3 well flow lines**
 - **Line diameter: 8" .**
 - **Distance: 30.2 Km**
 - **Objective: deliver well production to the Plant**
 - **The layout of the lines contemplates crossing the Pilcomayo River and other smaller streams.**

■ EXPORT LINES

- Installation of gas and liquids lines from the Plant to the gas pipeline and to the Transportadora Transredes oil pipeline.
- A 51 km, 10” line for gas.
- A 54 km, 6” line for condensates
- Objective: transport gas and liquids for marketing
- The layout of the export lines cross the Aguaragüey and Caipipendi mountain ranges.
- The scope includes the construction of significant erosion control projects.

Technical Aspects (II)



- Based on a technical-financial evaluation, the project for laying of the flow lines and export lines at the Margarita field has been awarded to:
 - Consortium Astra Evangelista – Conduto
 - Total \$ 15,828,185 incl. V.A.T.
 - Execution period 180 days

■ Progress

- | | |
|------------------------|---------------------|
| ■ Line Pipe | Awarded to Tenaris. |
| ■ Basic engineering | 50 % |
| ■ Detailed engineering | 5 % |
| ■ Mobilization | 85 % |

TEMPRANA MARGARITA PRODUCTION FACILITIES

TREATMENT PLANT

- The plant was designed with a 2Mm³/d treatment capacity
- The process system is based on a propane-driven mechanical cooling system to adapt to commercial gas specifications.
- The main feature is its ability to handle different process flows with a 6 to 1 relationship.

- Based on the technical-financial evaluation carried out, construction of the plant was awarded to:
 - Consortium EBN
 - Total \$ 26,874,547 incl. V.A.T.
 - Execution 10 months

- Plant operations were awarded to:
 - Company NCD
 - Total \$ 167,800 /month
 - Timetable 4 years

■ Progress

- Basic engineering 100 %
- Detailed engineering 50 %
- Movilización 100 %
- Site clearing 80 %