

PACIFIC RUBIALES ENERGY CORP.

NEWS RELEASE

PACIFIC RUBIALES ANNOUNCES SUCCESSFUL OIL FLOW FROM TWO WELLS DRILLED IN THE CPE-6 HEAVY OIL BLOCK, EASTERN LLANOS BASIN, COLOMBIA

TORONTO, CANADA, Monday December 23, 2013 – Pacific Rubiales Energy Corp. (TSX: PRE) (BVC: PREC) (BOVESPA: PREB) announced today the successful results of the first production tests in the CPE-6-1X exploration well and the CPE-6-H2 appraisal well, two new wells drilled during December in the CPE-6 Block in the Eastern Llanos Basin, onshore Colombia. Pacific Rubiales has a 50% working interest and is operator of the block. Talisman (Colombia) Oil and Gas Ltd., a wholly owned subsidiary of Talisman Energy Inc. (TSX: TLM) (NYSE:TLM) holds the remaining 50% working interest.

The CPE-6-1X vertical exploration well was drilled to a total depth of 3,318 feet MD in the Hamaca prospect, targeting the Basal Sand Unit of the Carbonera Formation, a unit that has shown a significant hydrocarbon column in 12 stratigraphic wells drilled in the block by the Company and its partner since 2010. The petrophysical evaluation of the well indicates a total of 50 feet of net pay averaging 30% porosity across a gross interval of 90 feet. The well was cased and completed in the net pay interval and tested at an average flow rate of 222 bbl/d of 10.8° API oil with a 15% water cut, tested over a five day period.

The CPE-6-H2 vertical appraisal well was drilled to a total depth of 3,485 feet MD, targeting the Basal Sand Unit of the Carbonera Formation. The well is located four kilometers northeast of the CPE-6-1X well and is also drilled in the Hamaca prospect. The petrophysical evaluation of the well indicates a total of 34.5 feet of net pay averaging 29% porosity across a gross interval of 80 feet. The well was cased and completed in the net pay interval and tested at an average flow rate of 213 bbl/d of 10.9° API oil with a 12% water cut, tested over a three day period.

Both wells were completed using an open-hole gravel pack technique. No thermal stimulation was required and both wells responded well to the use of submersible pump lift. The CPE-6-1X well fulfils the commitments for the first exploration phase of the CPE-6 E&P contract.

Ronald Pantin, the Company's Chief Executive Officer, commented:

“These are very good results, both wells exceed the production rate of an average vertical well in the Rubiales Field, and fully endorse our confidence in the oil potential of the CPE-6 Block and the repeatable scalable nature of the heavy oil resource play in Colombia. From our extensive experience in operating and developing the neighbouring Rubiales and Quifa SW heavy oil fields, we find that horizontal wells typically flow at up to six to ten times the rate of a vertical well.

“We have now established our first two producing wells on the CPE-6 Block. The Company will be moving a third rig into the CPE-6 Block in early 2014 and plans to drill 16 development wells and nine exploration and appraisal wells during the year. We are in the process of moving modular production equipment into the block to accommodate the expected early production. In early November, the Company was granted the global environmental license for the CPE-6 Block which allows us to drill 200

wells (including exploration, appraisal, development and injection wells) on 40 pads and also build surface facilities for future field development expansion.

“Over the past six years, Pacific Rubiales has been the leading explorer and developer of heavy oil reserves and production in Colombia with its giant Rubiales and Quifa oil field developments, and has established one of the largest acreage positions along Colombia heavy oil resource trend. With its 50% and 100% respective working interests in the CPE-6 and Rio Ariari blocks, both located southwest of the Rubiales/Quifa SW fields along Colombia’s heavy oil resource trend, the Company now has a clear path to replace the Rubiales Field production by 2016.”

At year-end 2012, the Company booked certified net 2P reserves of 44.5 MMbbl associated with the Basal Sand Unit in the Hamaca prospect, located in the north central portion of the CPE-6 Block, and additional working interest gross best case Prospective Resources of 137.1 MMbbl for this unit. The 2012 certification does not include an evaluation of the overlying C-7 sand where additional potential oil pay has been identified on petrophysical logs in wells drilled in the block.

Pacific Rubiales, a Canadian company and producer of natural gas and crude oil, owns 100% of Meta Petroleum Corp., which operates the Rubiales, Piriri and Quifa heavy oil fields in the Llanos Basin, and 100% of Pacific Stratus Energy Colombia Corp., which operates the La Creciente natural gas field in the northwestern area of Colombia. Pacific Rubiales has also acquired 100% of Petrominerales Ltd, which owns light and heavy oil assets in Colombia and oil and gas assets in Peru, 100% of PetroMagdalena Energy Corp., which owns light oil assets in Colombia, and 100% of C&C Energia Ltd., which owns light oil assets in the Llanos Basin. In addition, the Company has a diversified portfolio of assets beyond Colombia, which includes producing and exploration assets in Peru, Guatemala, Brazil, Guyana and Papua New Guinea.

Advisories

Cautionary Note Concerning Forward-Looking Statements

This press release contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding estimates and/or assumptions in respect of production, revenue, cash flow and costs, reserve and resource estimates, potential resources and reserves and the Company's exploration and development plans and objectives) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things: uncertainty of estimates of capital and operating costs, production estimates and estimated economic return; the possibility that actual circumstances will differ from the estimates and assumptions; failure to establish estimated resources or reserves; fluctuations in petroleum prices and currency exchange rates; inflation; changes in equity markets; political developments in Colombia, Peru, Guatemala, Brazil, Papua New Guinea or Guyana; changes to regulations affecting the Company's activities; uncertainties relating to the availability and costs of financing needed in the future; the uncertainties involved in interpreting drilling results and other geological data; the impact of environmental, aboriginal or other claims and the delays such claims may cause in the expected development plans of the Company and the other risks disclosed

under the heading "Risk Factors" and elsewhere in the Company's annual information form dated March 13, 2013 filed on SEDAR at www.sedar.com. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

In addition, reported production levels may not be reflective of sustainable production rates and future production rates may differ materially from the production rates reflected in this press release due to, among other factors, difficulties or interruptions encountered during the production of hydrocarbons.

Reserves and Resources

The reserves associated with the CPE-6 Block were certified by Petrotech in a report dated February, 28, 2013, effective December 31, 2012, entitled "Evaluation of the Proved & Probable Reserves of Pacific Rubiales Energy Corp. in 16 Blocks in Colombia and 1 Block Offshore, Peru for Year-Ending 2012". For further information, see the Company's Form 51-101 F1 - Statement of Reserves Data And Other Oil and Gas Information as of December 31, 2012 dated March 13, 2013. Additional details on the CPE-6 Block reserves are provided in the following table below:

CPE 6 Block 2P Reserves		
Reserve Type	Gross	Net
Heavy Oil (MMbbl)	57.1	44.5

The Prospective Resources associated with the CPE-6 block were certified by Petrotech in a report dated April 2, 2013, with an effective date of September 30, 2012, entitled "Resource Evaluation of the Interests of Pacific Rubiales Energy Corp. in 32 Exploration & Production Blocks in Colombia, Guatemala, Guyana, Papua New Guinea, Peru and Brazil". Additional details on the CPE-6 Block Prospective Resources are provided in the following table below:

CPE-6 Block Prospective Resources			
Prospect & Leads	Low Case Gross Unrisked Prospective Resources	Best Case Gross Unrisked Prospective Resources	High Case Gross Unrisked Prospective Resources
Hamaca Prospect (MMbbl)	6.0	55.2	151.5
Two Leads (MMbbl)	4.9	81.9	290.6
Total (MMbbl)	10.9	137.1	442.1

Readers should give attention to the estimates of individual classes of resources and appreciate the differing probabilities of recovery associated with each class. Estimates of remaining recoverable resources (unrisked) include Prospective Resources that have not been adjusted for risk based on the chance of discovery or the chance of development. It is not an estimate of volumes that may be recovered. Actual recovery is likely to be less and may be substantially less or zero.

Prospective Resources are those quantities of oil and gas estimated to be potentially recoverable from undiscovered accumulations. There is no certainty that the Prospective Resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the

Prospective Resources. Application of any geological and economic chance factor does not equate Prospective Resources to Contingent Resources or reserves. In addition, the following mutually exclusive Classification of Resources were used:

- *Low Estimate - This is considered to be a conservative estimate of the quantity that will actually be recovered from the accumulation. This term reflects a P90 confidence level where there is a 90% chance that a successful discovery will be equal to more than this resources estimate.*
- *Best Estimate - This is considered to be the best estimate of the quantity that will actually be recovered from the accumulation. This term is a measure of central tendency of the uncertainty distribution and in this case reflects a 50% confidence level where there is a 50% chance that the successful discovery will be equal to or more than this resources estimate.*
- *High Estimate - This is considered to be an optimistic estimate of the quantity that will actually be recovered from the accumulation. This term reflects a P10 confidence level where there is a 10% chance that the successful discovery will be equal to or more than this resources estimate.*

In this news release total volumes of resources have been expressed for high case estimates, low case estimates and best case estimates for Prospective Resources. These total volumes are arithmetic sums of multiple estimates of Prospective Resources, as the case may be, which statistical principles indicate may be misleading as to volumes that may actually be recovered. Readers should give attention to the estimates of individual classes of resources and appreciate the differing probabilities of recovery associated with each class as explained in this section.

Definitions

Bcf	Billion cubic feet.
Bcfe	Billion cubic feet of natural gas equivalent.
bbl	Barrel of oil.
bbl/d	Barrel of oil per day.
boe	Barrel of oil equivalent. Boe's may be misleading, particularly if used in isolation. The Colombian standard is a boe conversion ratio of 5.7 Mcf:1 bbl and is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.
boe/d	Barrel of oil equivalent per day.
Mbbl	Thousand barrels.
Mboe	Thousand barrels of oil equivalent.
MMbbl	Million barrels.
MMboe	Million barrels of oil equivalent.
Mcf	Thousand cubic feet.
Million Tons LNG	One million tons of LNG (Liquefied Natural Gas) is equivalent to 48 Bcf or 1.36 billion m ³ of natural gas.
Net	Company working interest production after deduction of royalties.

Production	
Total Field Production	100% of total field production before accounting for working interest and royalty deductions.
Gross Production	Company working interest production before deduction of royalties.
WTI	West Texas Intermediate Crude Oil.

Translation

This news release was prepared in the English language and subsequently translated into Spanish and Portuguese. 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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