



Where is Private Equity investing?
IPAA Private Capital Conference

February 25, 2010

Introduction to Remora

- » Founded in 2007, **Remora Energy** is an international E&P company
- » Focused portfolio of assets in the **Llanos basin** through **Columbus Energy Sucursal Colombia**, our wholly owned subsidiary
- » The Company at a glance:
 - Employees: 22 in Houston, TX and 48 in Bogota, Colombia
 - Block Participation: **10 total blocks** - 5 operated, 5 non-operated
 - 3D Seismic Inventory (gross): **1,446 km²** currently, **2,329** forecasted cumulative km² by 2011;
 - Acreage: **818,343 gross, 450,166 net**
 - Wells drilled: 15 wells (80% success rate)
 - WI Reserves: **7 mmbbl 3P**
 - WI Risked Resource Potential: **97 mmbbl**
 - Current WI Production: **1,500 bopd**

Colombia



Management team

Management team has explored, developed and acquired assets in over 20 countries

<u>Name / Title</u>	<u>Experience</u>	<u>Previous Experience</u>
<u>Steve Bell</u> <i>Chief Executive Officer</i>	29 years	<ul style="list-style-type: none"> • President Exploration and Business Development of BHP Petroleum • President of AEC International (EnCana) and Vice President International Exploration at Apache
<u>Bernie Wirth</u> <i>Chief Development Officer</i>	31 years	<ul style="list-style-type: none"> • Vice President of Global Exploration at BHP Petroleum • Executive level roles in exploration, asset management, marketing and A&D
<u>Avik Dey</u> <i>Chief Financial Officer</i>	11 years	<ul style="list-style-type: none"> • Assistant Vice President at First Reserve Corporation • Finance professional with experience across private equity, investment banking (Deutsche Bank) and E&P (EnCana)
<u>Andrew Houser</u> <i>VP - Engineering & Operations</i>	31 years	<ul style="list-style-type: none"> • VP International Deepwater Development – Kerr-McGee • Executive level positions in engineering, oil and gas marketing and supply chain management
<u>David Stoudt</u> <i>VP - Exploration</i>	34 years	<ul style="list-style-type: none"> • Exploration Manager at Apache Argentina • Chief Geologist and VP of Geology, Mosbacher Energy
<u>Jose Vicente Zapata</u> <i>President and General Counsel</i>	12 years	<ul style="list-style-type: none"> • Bogota based • Partner – Holguin, Neira & Pombo • Legal Counsel to Major Oil and Gas Companies in Colombia, sits on various Board of Directors

Financial sponsors

First Reserve Corporation

- » \$500MM of equity from \$7.8 billion Fund XI
- » The firm has developed a global platform by investing exclusively in the energy industry, having invested approximately \$12.5 billion in equity
- » First Reserve has invested in over 100 platform acquisitions and First Reserve portfolio companies have completed approximately 300 add-on transactions

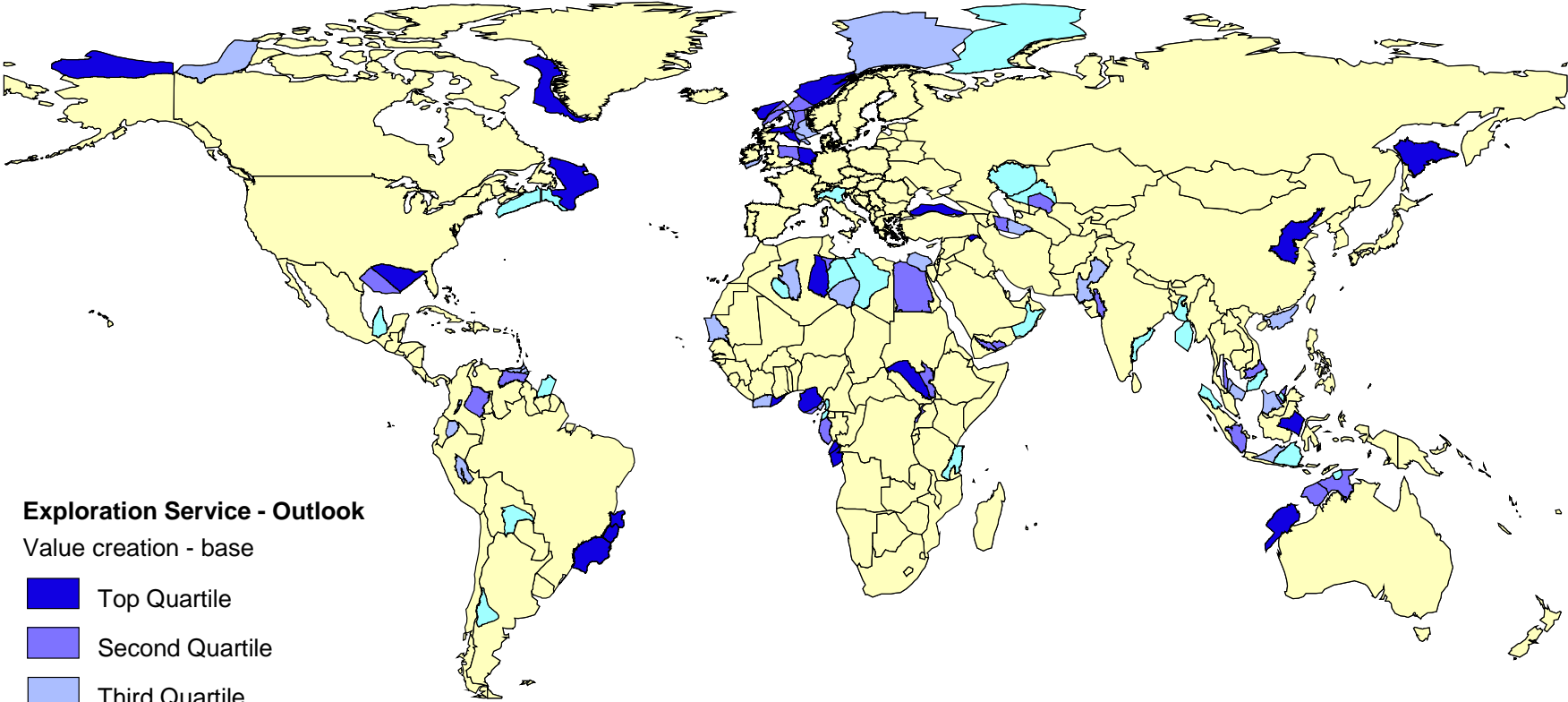


Nabors Industries

- » \$500MM of equity commitment
- » Nabors Industries owns and operates 535 onshore drilling and approximately 740 onshore workover and well-servicing rigs worldwide
- » The international division operates both land and offshore rigs in 28 countries worldwide and has extensive experience in 20 other countries



Where are the resources of the future?



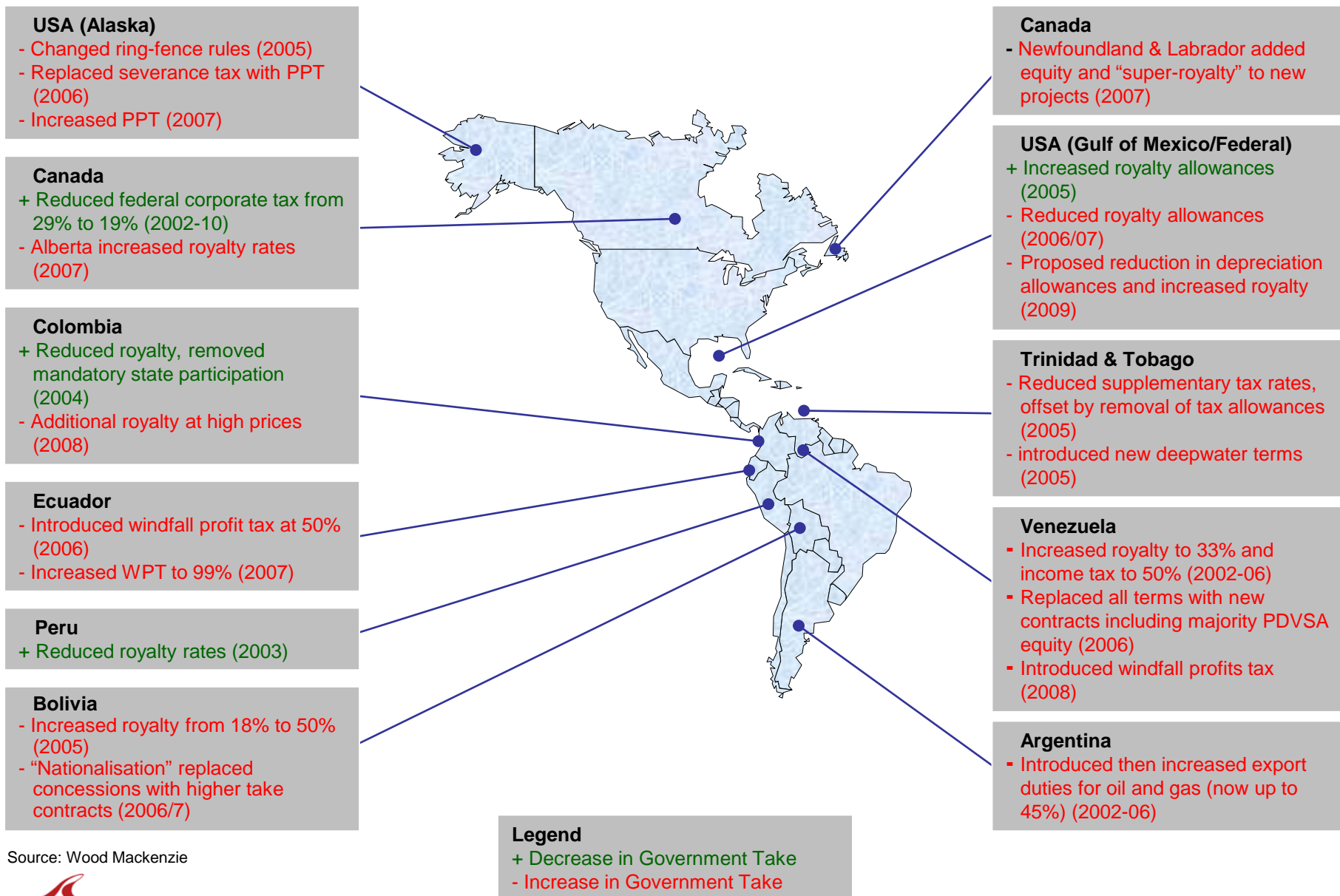
Exploration Service - Outlook

Value creation - base

- Top Quartile
- Second Quartile
- Third Quartile
- Fourth Quartile

Source: Wood Mackenzie

Government takes have increased across the board



Source: Wood Mackenzie

Why Colombia?

Commercial attractiveness

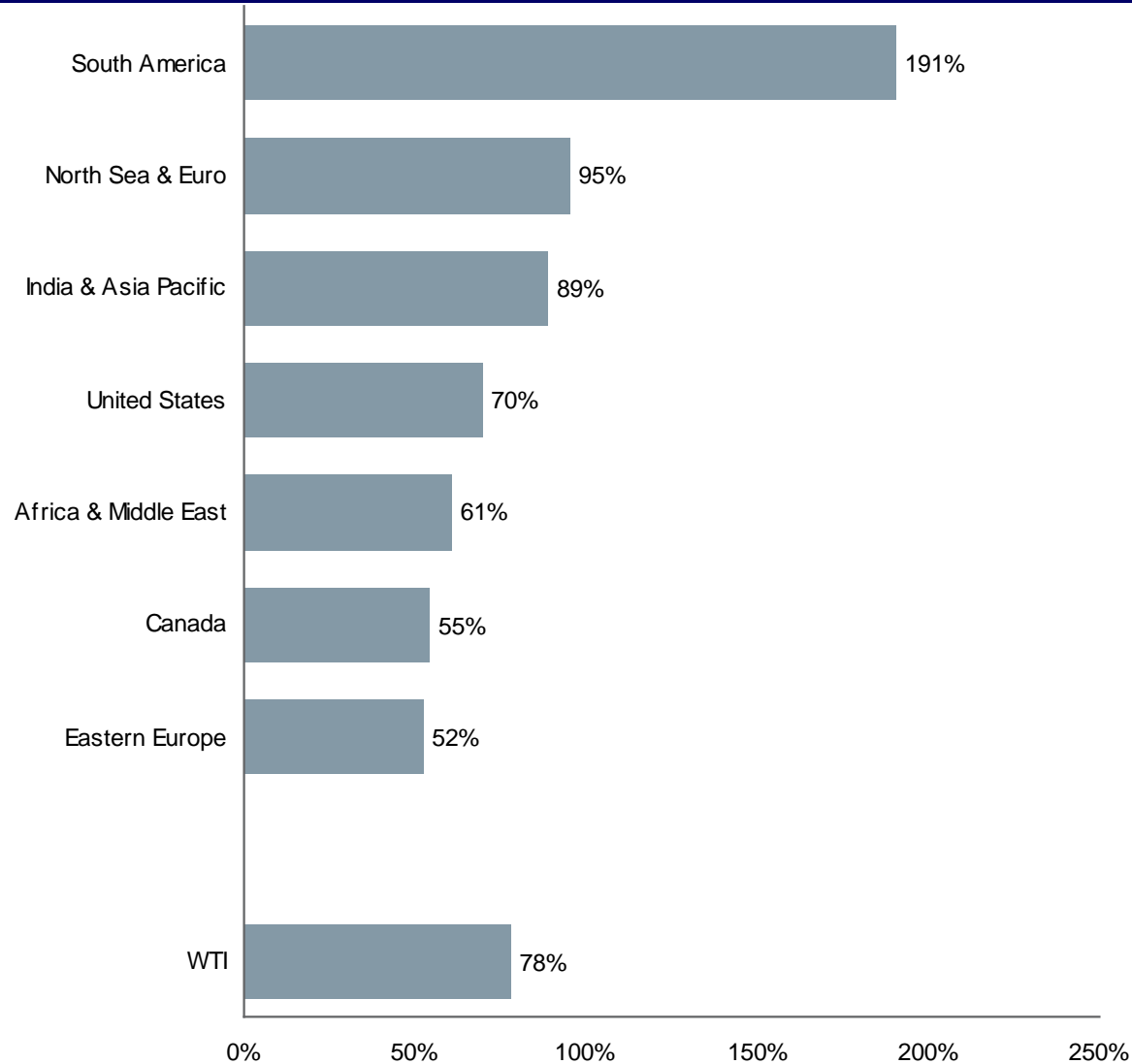
- » Competitive tax/royalty regime (45% - 75% government take) with a proven legal system
- » Tax incentives for small field developments
- » 33% corporate tax rate
- » Ability to freely invest and expatriate funds
- » Available acreage through bid rounds, farm-ins and acquisitions
 - 44 million acres offered for licensing in 2009

Technical attractiveness

- » Substantial Low risk exploration upside with multi-year prospect inventory
- » Oil rich underexplored basins with limited use of 3D
- » Allows for development of centralized, concentrated land position
- » Project cycle times commensurate with North American onshore environment

Public markets rewarding South American growth stories

2009 Share Price Performance⁽¹⁾

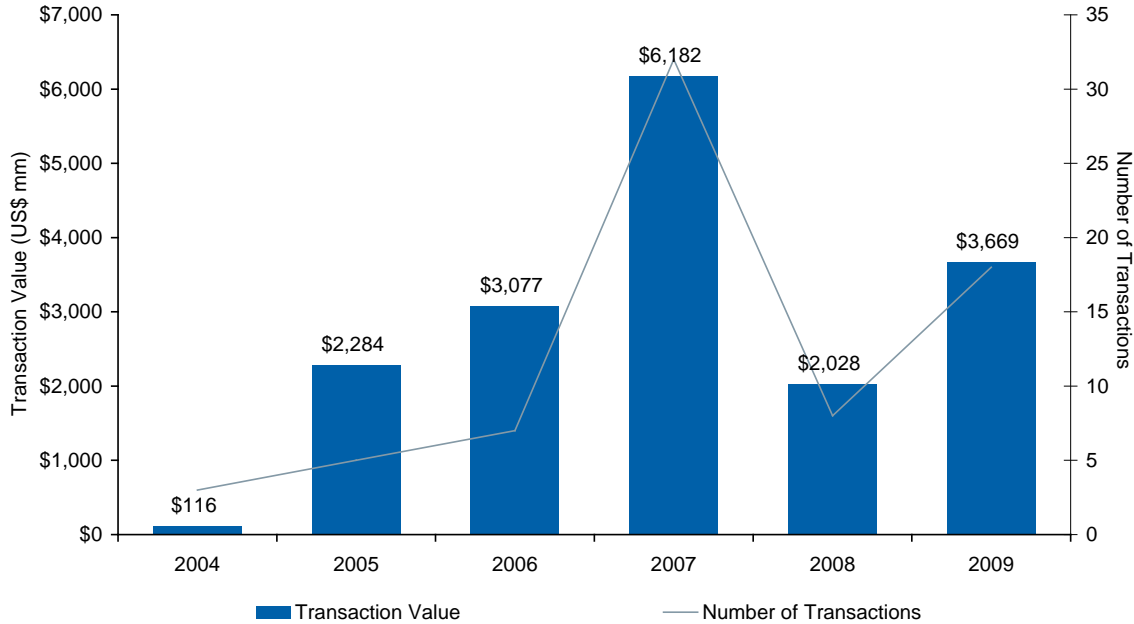


Source: Bloomberg as at February 9, 2010, RBC Capital Markets

(1) Simple Performance in local currency. Each geographical region represents the average of companies contained within RBC Capital Markets' E&P research universe

M&A market providing liquidity

South American M&A activity⁽¹⁾



(1) Source: J.S. Herold; includes transactions > US\$10mm, RBC Capital Markets

Borderless interest



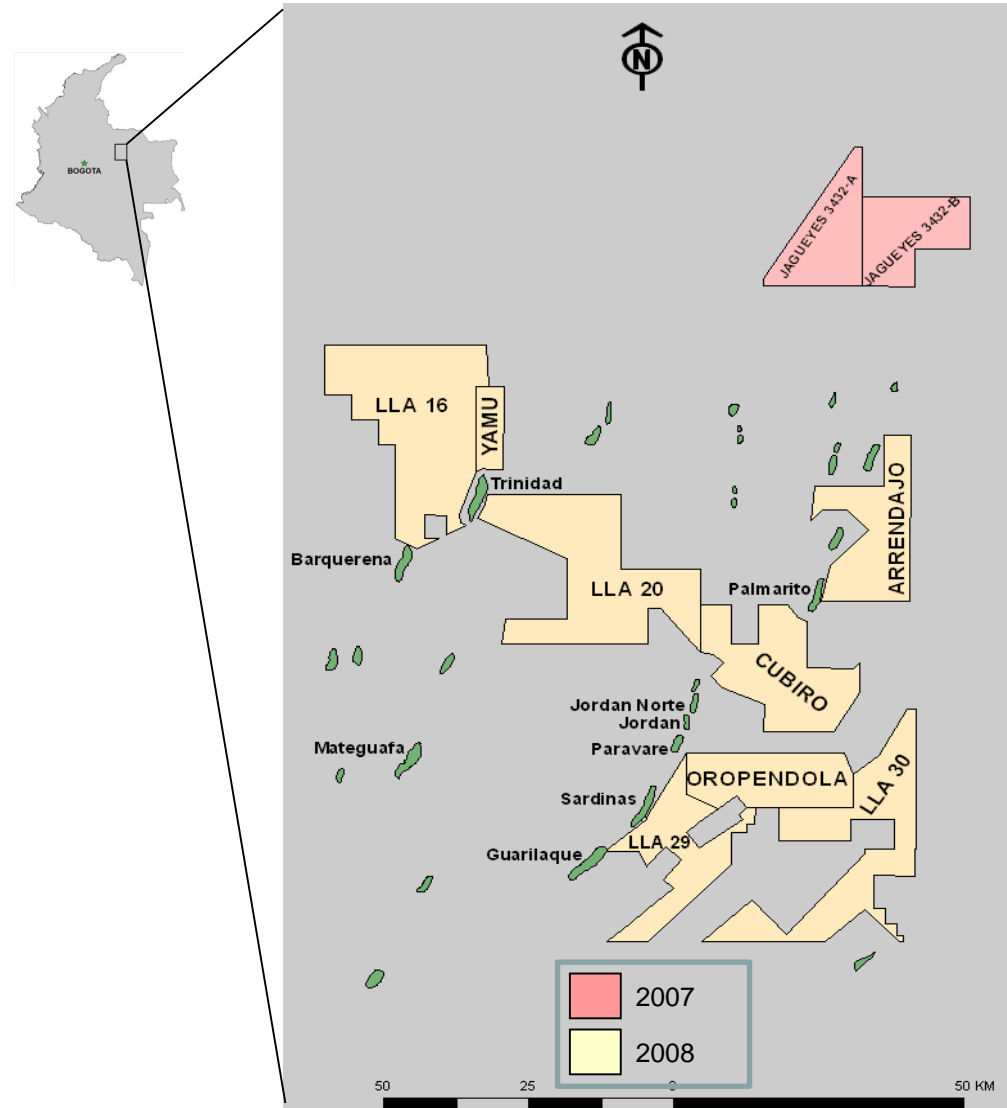
Colombia strategy considerations

Strategy Types	Private equity considerations	Current Remora Focus?
Organic growth in Llanos Basin focus area	<ul style="list-style-type: none"> » Deal flow coming through direct negotiations » A highly competitive space mainly occupied by independents » Short R/P wells with quick payouts » Smaller field sizes 	YES
Organic growth through heavy oil	<ul style="list-style-type: none"> » Long lead time projects and highly capital/resource intensive » Significant long-term growth potential that the market rewards » Highly competitive arena with all types of competitors » Major infrastructure considerations 	NO
Diversification through organic growth in other Colombian Basins	<ul style="list-style-type: none"> » Higher risk basins with lower well delivery » Many opportunities burdened by poor fiscal terms (older vintage association contracts) 	NO
M&A – Colombia or other countries	<ul style="list-style-type: none"> » Significant resources required to evaluate deals with very low achievability » Trading multiples of transactions now at a discount to Net Asset Value » Opportunity to acquire assets/companies with material upside potential relative to acquisition price. » Tightened capital markets leading to distressed situations and capital starved companies 	YES

Llanos basin overview

- » Seasonal drilling from December to April
- » Underexplored foreland basin with excellent reservoirs and rich oil charge
- » Opportunity to apply 3D in a predominately 2D controlled basin
- » Infrastructure is available but future growth will be dependent on additional capacity
- » As an active new entrant, indigenous community relations are an important consideration
- » Remora 2010 capital program
 - 17 wells and 566 km² of 3D

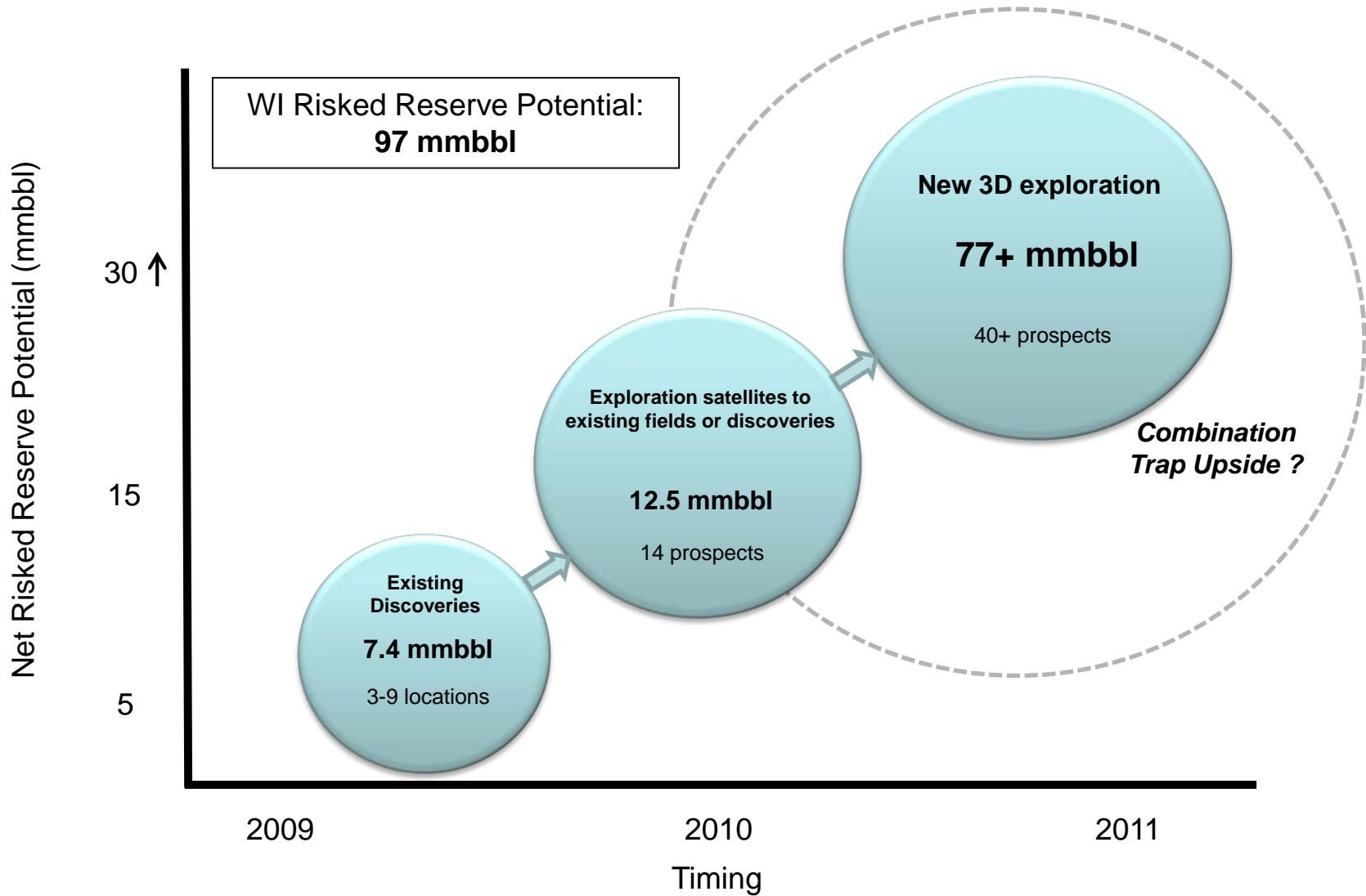
Llanos Basin Position



Applying current technology in a mature basin

- » Acquired 1,446 km² of seismic (through 2009) and projected to acquire 2,329 km² by 2011
 - Using seismic, have averaged finding 2.4 mmbbl prospects (risked) and 2.3 prospects per 50 km²
- » 3D seismic has developed the exploration & development of the various play types
 - 2D leads are being converted to 3D prospects at a ratio of 1.0X - 2.0X
- » 3D seismic has allowed us to find and develop large drillable stratigraphic plays
- » Completing Llanos regional G&G model
 - Identifying key basin development parameters and their impact on prospects and fields
 - Calibration of trap and reservoir development will optimize the value of the Remora exploration portfolio
 - Will define areas most likely to yield larger play types

Current 3D controlled prospect inventory



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