



Fact Sheet

VENEZUELAN OIL: RESERVES, PRODUCTION AND POLICY

The Bolivarian Republic of Venezuela is one of the world's most significant producers of oil and an important supplier to the Western Hemisphere. In recent years, Venezuela has announced important new oil reserves in the country's Orinoco Oil Belt, launched new regional energy cooperation agreements and diversified its export markets. Additionally, it has directed oil revenues towards vital social development programs and infrastructure projects while expanding investments in exploration and production.

to date, at 513 billion barrels of recoverable oil at a 45 percent recovery rate.

The oil belt, described by many as one of a kind, included the participation of teams from 21 different countries represented by 27 oil companies.

During the most recent bidding round in January 2010, two consortiums – one led by U.S.-based Chevron, the other by Spain's Repsol – won bids for over 800 million barrels per day of new production in the Orinoco. Four more joint ventures are in development in the Junin area led by Chinese, Indian and Russian consortiums.

Over the next seven years, there are investment opportunities worth \$240 billion in the Orinoco Oil Belt.

OIL RESERVES, PRODUCTION & EXPORT

Venezuela has almost 211 billion barrels in proven oil reserves, the second highest in the world after Saudi Arabia. Venezuela exports roughly 2.6 million barrels of oil per day and consumes around 550,000 barrels a day, putting production at 3.1 million barrels of oil per day.

VENEZUELA'S VISION FOR OIL

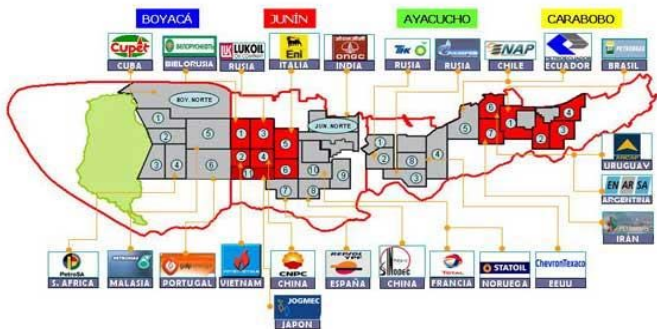
Venezuela serves as a vital energy partner to the countries of the region, and is one of the top four suppliers of oil to the U.S. Additionally, in recent years Venezuela has diversified its exports, and now ships 460,000 barrels a day to China – a 21 percent increase from last year.

The government of President Hugo Chávez has adopted a vision of oil that includes working with global partners to assure a fair value for a nonrenewable natural resource, expanding regional agreements to help correct energy asymmetries, increasingly using oil revenues to fund vital social development and infrastructure programs, and diversifying Venezuela's oil exports. A vital aspect of this vision has been the development of Venezuela's oil reserves in an effective and rational manner and in full accordance with Venezuelan legislation.

ORINOCO OIL BELT

The Orinoco Oil Belt is a 55,000-square mile area in south-central Venezuela that consists of large deposits of extra heavy crude oil.

A prime example of Venezuela's commitment to increasing access to energy is PetroCaribe, a 14-country energy agreement launched in 2005. Through the agreement, member-states, which have now increased to 19, receive oil directly from Venezuela at preferential financing rates. The agreement thus allows developing country's that need energy the proper access to it, and the financing arrangement allows them to direct money to social development projects in their countries.



Currently, there are four exploration and production areas ranging from 150 to 1,200 square-miles – Carabobo, Ayacucho, Junin and Boyaca – representing almost 50 percent of the oil belt's total area. A study by the U.S. Geological Survey put Venezuelan oil reservoirs,

Through PetroCaribe Venezuela provides \$9.7 billion worth of oil to member-states, of which \$3.7 billion is financed over 25 years at 1% interest. This guarantees supply for countries with small economies.



PetroCaribe and other such regional agreements represent Venezuela's new vision for oil, which is founded on the principles of fair commerce, solidarity, social justice, complementarity and equal access to energy.

ENERGY RELATIONSHIP WITH U.S.

Venezuela is a consistent, reliable and longtime energy supplier to the U.S., supplying the country with crude oil and hydrocarbon products.

Additionally, through CITGO, subsidiary of Pdvsa in the U.S., since 2005 Venezuela has provided poor households and communities in 25 states and the District of Columbia with free heating oil, the only U.S.-based company to do so.

Minister's Ramírez's trip to Washington, D.C. on April 15-16 for the Energy and Climate Ministerial of the Americas comes at the invitation of the U.S. Secretary of Energy. It is his first visit to the city since 2004, when the Bush Administration, due to political reasons, began limiting communications between the energy institutions of the two countries and eventually put on hold the energy agreement that had been active between the two countries since 1980.

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