

Drilling of new well confirms Tupi's potential

In accordance with the terms of article 248 of the Portuguese Securities Code, Galp Energia, SGPS, S.A. (Galp Energia) hereby discloses the following information:

The contractor group for BM-S-11 in ultra deep water of Santos basin, including Galp Energia, Petrobras and BG Group, informs that the drilling of the seventh well located in Tupi's area, confirms the light oil potential of pre-salt reservoirs of that area.

This new well, informally known as Tupi Alto, is located in Tupi's Evaluation Plan Area, in a water depth of 2,111 metres, around 275 kilometres off the coast of Rio de Janeiro and 12 kilometres northeast from the first well, Tupi.

The well Tupi Alto drilled in a higher structure than that of the other wells in Tupi's area, proved, through cable oil testing, the discovery of oil with a lighter density (around 30º API), than the average oil density of the other wells in Tupi (around 28º API).

The information gathered with this well, along with the information already obtained from previous wells, reinforces the estimated volumes of recoverable light oil and natural gas in the range between 5 and 8 billion barrels in the pre-salt reservoirs of Tupi's area.

The contractor group will carry on the activities and investments in accordance with the Evaluation Plan already approved by the National Petroleum, Natural Gas and Biofuels Agency, which foresees the drilling of further wells until the declaration of commercialization, expected in December 2010.

The contractor group for BM-S-11 includes Galp Energia (10%), Petrobras (operator, 65%) and BG Group (25%).

At Santos basin, a basin with high exploration potential, Galp Energia also holds stakes in three additional blocks: BM-S-8 (14%), BM-S-21 (20%) and BM-S-24 (20%).

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