



YPF

YPF - Chevron Agreement

To develop Vaca Muerta

Safe harbor statement under the US Private Securities Litigation Reform Act of 1995.

This document contains statements that YPF believes constitute forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995.

These forward-looking statements may include statements regarding the intent, belief, plans, current expectations or objectives of YPF and its management, including statements with respect to YPF's future financial condition, financial, operating, reserve replacement and other ratios, results of operations, business strategy, geographic concentration, business concentration, production and marketed volumes and reserves, as well as YPF's plans, expectations or objectives with respect to future capital expenditures, investments, expansion and other projects, exploration activities, ownership interests, divestments, cost savings and dividend payout policies. These forward-looking statements may also include assumptions regarding future economic and other conditions, such as future crude oil and other prices, refining and marketing margins and exchange rates. These statements are not guarantees of future performance, prices, margins, exchange rates or other events and are subject to material risks, uncertainties, changes and other factors which may be beyond YPF's control or may be difficult to predict.

YPF's actual future financial condition, financial, operating, reserve replacement and other ratios, results of operations, business strategy, geographic concentration, business concentration, production and marketed volumes, reserves, capital expenditures, investments, expansion and other projects, exploration activities, ownership interests, divestments, cost savings and dividend payout policies, as well as actual future economic and other conditions, such as future crude oil and other prices, refining margins and exchange rates, could differ materially from those expressed or implied in any such forward-looking statements. Important factors that could cause such differences include, but are not limited to, oil, gas and other price fluctuations, supply and demand levels, currency fluctuations, exploration, drilling and production results, changes in reserves estimates, success in partnering with third parties, loss of market share, industry competition, environmental risks, physical risks, the risks of doing business in developing countries, legislative, tax, legal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, wars and acts of terrorism, natural disasters, project delays or advancements and lack of approvals, as well as those factors described in the filings made by YPF and its affiliates with the Securities and Exchange Commission, in particular, those described in "Item 3. Key Information—Risk Factors" and "Item 5. Operating and Financial Review and Prospects" in YPF's Annual Report on Form 20-F for the fiscal year ended December 31, 2012 filed with the US Securities and Exchange Commission. In light of the foregoing, the forward-looking statements included in this document may not occur.

Except as required by law, YPF does not undertake to publicly update or revise these forward-looking statements even if experience or future changes make it clear that the projected performance, conditions or events expressed or implied therein will not be realized.

These materials do not constitute an offer for sale of YPF S.A. bonds, shares or ADRs in the United States or otherwise.

- 1 The importance of Unconventional**
- 2 Strategic partner and investment project magnitudes
- 3 Description of the agreements

Growing imports that **do not favor the trade balance**

In 2011 Argentina became a net energy importer

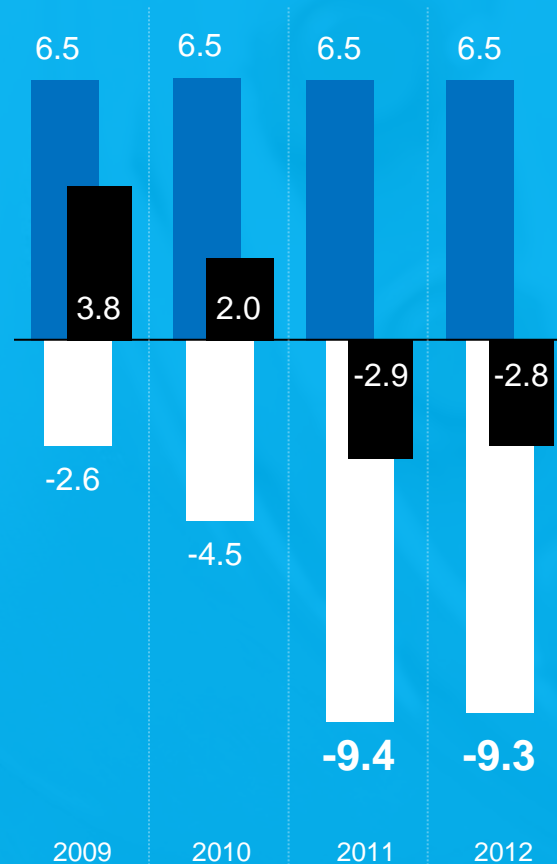
Shale offers Argentina the historical opportunity of stop being an energy importer

Exports and imports

Oil, fuels and natural gas

Billion dollars

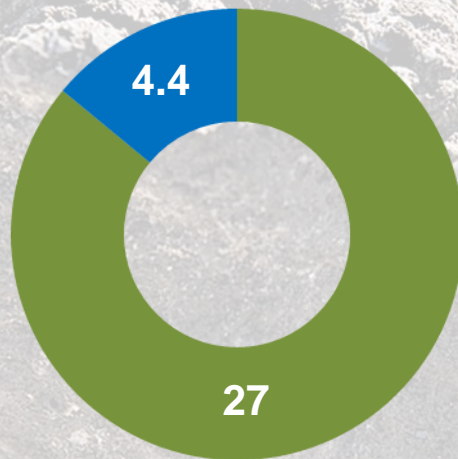
- Exports
- Imports
- Exports - Imports



Source: INDEC



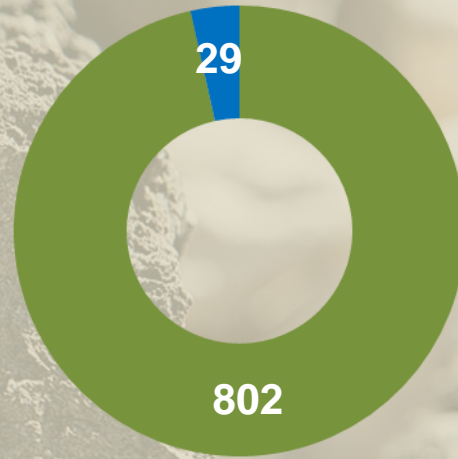
Oil potential (Bbbls)



- **Conventional**
(Oil 3P + Resources)
- **Unconventional**
(resources)

4th in UC oil resources

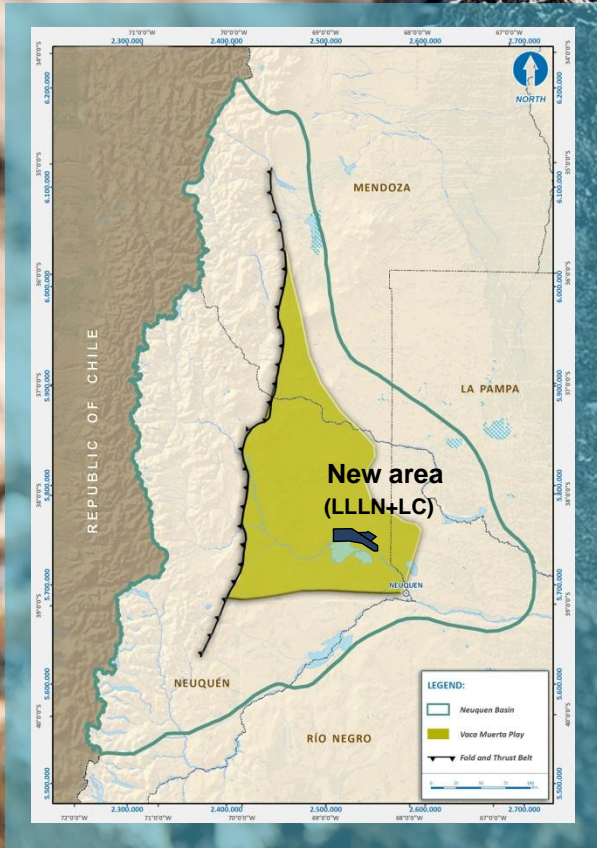
Natural gas potential (Tcf)



- **Conventional**
(Nat. gas 3P + Resources)
- **Unconventional**
(resources)

2nd in UC natural gas resources

Notes: Source SEN / U.S. Energy Information Administration (DOE) / Advanced Resources International (ARI), 2012



Shale Oil and Gas

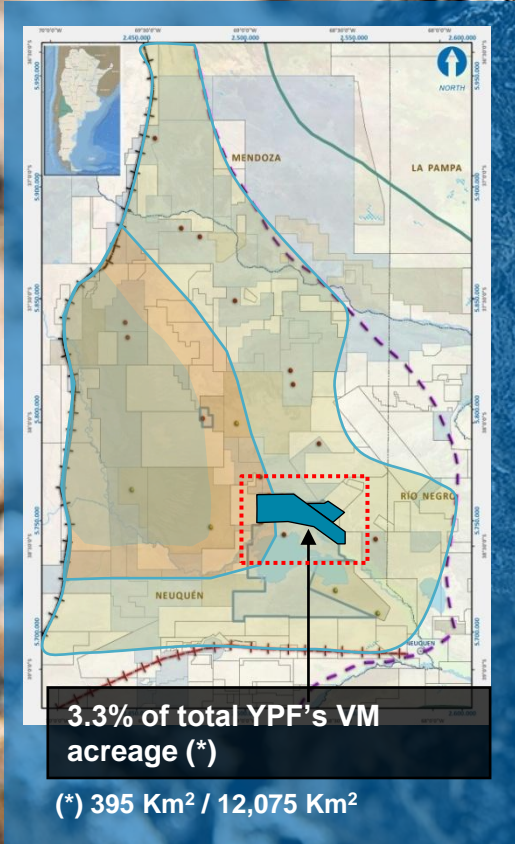
Total	
Area	30,000 km²
EUR	20 - 40 Bbbl
EUR	100 - 200 TCF
Approximately 100 years of current production	
Net YPF	
Area	12,075 km²

Main unconventional acreage holders in America

Chesapeake
ExxonMobil
YPF
Chevron
Apache

	Vaca Muerta	Barnett	Haynesville	Marcellus	Eagle Ford	Bakken
TOC (%)	3-10	4-5	0.5-4	2-12	3-5	12
Thickness (mts)	30-450	60-90	60-90	10-60	30-100	20-30
Pressure (psi)	4,500-9,500	3,000-4,000	7,000-12,000	2,000-5,500	2,500-8,500	4,200
Area (km ²)	30,000	13,000	23,000	250,000	5,000	5,200

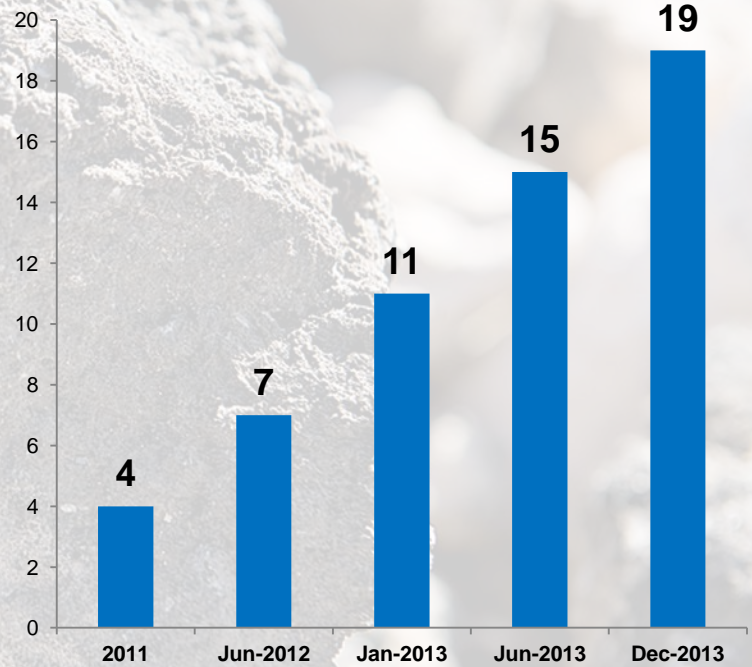
Source: SPE, Wood Mackenzie and YPF



**Production
(Unconventional)**

11,800 boe/d
as of July
2013
+90 wells
in production

Number of Drilling Rigs



- 1 The importance of Unconventional
- 2 **Strategic partner and investment project magnitudes**
- 3 Description of the agreements

3rd oil company

In the world

Market cap

235 billion dollars

Sales (2012)

222 billion dollars

5th producer

Of unconventional gas
worldwide

3rd holder

Shale acreage,
mainly in Marcellus
and Utica (USA)

Production 2,650 Kboe/d from which approximately
190 Kboe/d are from unconventional reservoirs.

**First 20 km² - pilot**

Investment

1,240 million dollars

Wells

+100

Drilling rigs

19 (as of December 2013)

Direct employees

+1,500

700 drilling

300 transport

350 well services

160 stimulation

Total investment

+16,000
Million dollars

Total operating costs

+9,000
Million dollars

Drilling activity

+1,500
New wells

Cumulative production

+750
Million BOEs

Royalties to the Province

+8,500
Million dollars

Production Plateau

+50,000
Barrels of oil per day

+3 million
m³ of natural gas per day

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Investment Agreement between YPF and Chevron

(Signed
07/16/2013)

Creates the general framework for
the investment with Chevron

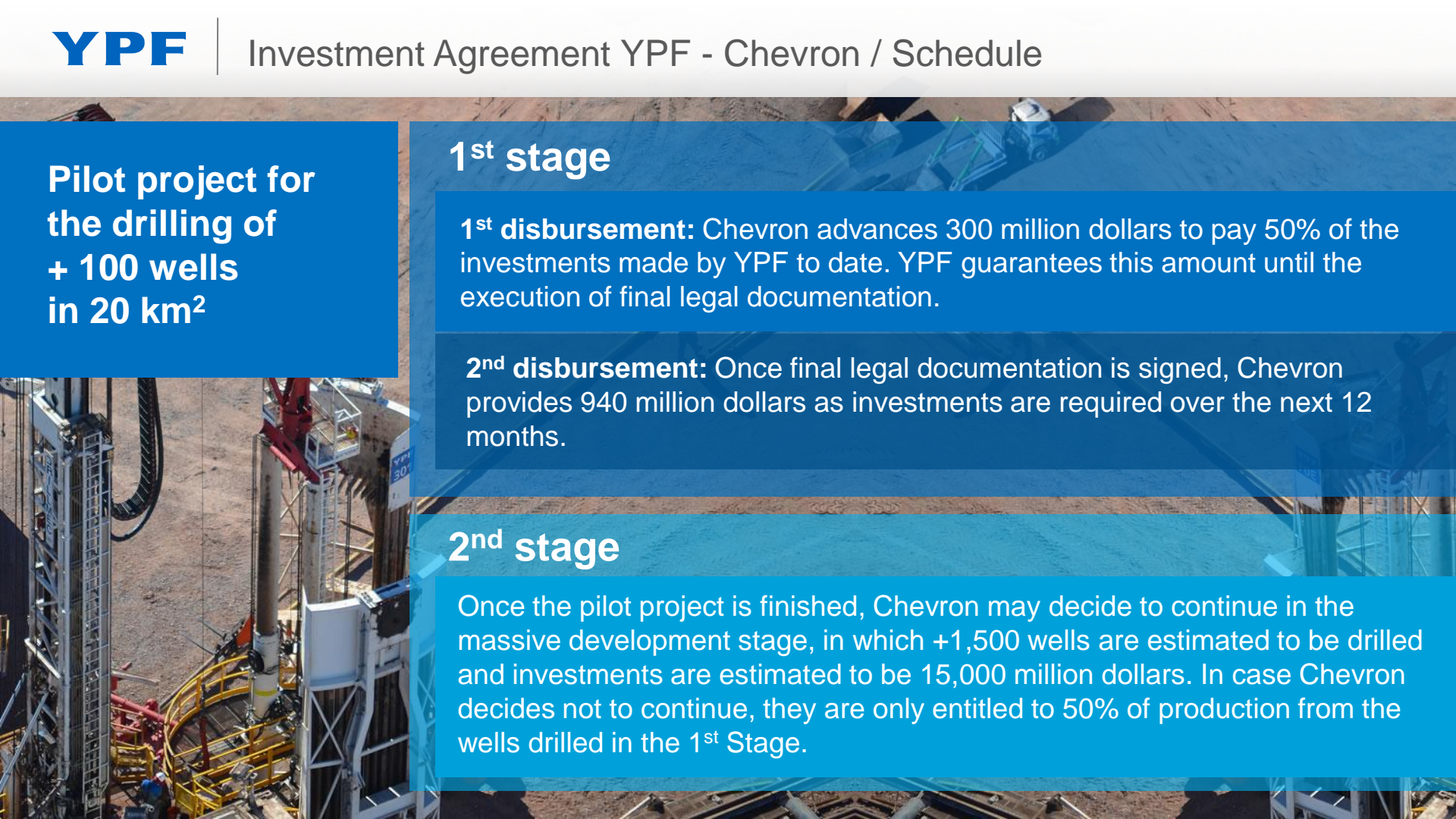
- YPF will operate the development asset
- Partnership: YPF 50%, Chevron 50%
- Investment amount: 1,240 million dollars in stages
- Pilot project: drilling +100 wells
- 35 year term

Agreement between YPF and Neuquén

(Signed 07/24/2013)
(Ratified by Congress
08/28/2013)

Unifies and extends for 35 years the Loma Campana
concession of an area of 395 km²

- Grant of 20 million dollars
- Corporate Social Responsibility: 45 million dollars.
- Royalties: 12%
- Net Profit Interest: 5% (starting year 2027)
- Reduction to applicable Methanol Plant subsidy
- Minimum investment: 1,000 million dollars



**Pilot project for
the drilling of
+ 100 wells
in 20 km²**

1st stage

1st disbursement: Chevron advances 300 million dollars to pay 50% of the investments made by YPF to date. YPF guarantees this amount until the execution of final legal documentation.

2nd disbursement: Once final legal documentation is signed, Chevron provides 940 million dollars as investments are required over the next 12 months.

2nd stage

Once the pilot project is finished, Chevron may decide to continue in the massive development stage, in which +1,500 wells are estimated to be drilled and investments are estimated to be 15,000 million dollars. In case Chevron decides not to continue, they are only entitled to 50% of production from the wells drilled in the 1st Stage.

Myths

Hydraulic stimulation threatens ground water

Hydraulic stimulation compromises water supply

Hundreds of hazardous chemicals are used

Shale is banned in most countries

Realities

No. In Argentina hydrocarbons are **separated by 2 km of rock from aquifers** and groundwater is well protected with steel casing and cement

No. In Neuquén only 0.1% of the river flow will only be used versus 5% used for irrigation and human consumption. The remaining 95% flows into the sea

No. In Argentina only 3 to 12 additives in very low concentrations are used. These chemicals **can be found in ice cream, cheese, drinks and toiletries**

No. It was only banned in France and Bulgaria which have **no precedent** in the drilling of such wells

Myths

Chevron invests pesos that it already has in Argentina

YPF guarantees product pricing to Chevron

YPF is giving away Vaca Muerta

Chevron does not undertake any risk

Chevron will have extraordinary profits

The Agreement is signed under French Law

YPF deposits in an escrow account

The Agreement is a surrender of sovereignty

Realities

Dollars come from abroad through the sole free foreign exchange market for the total investment

Prices will be the prevailing market prices at each moment **without any guarantee from YPF**

No. The agreement only contemplates the cession of **50% of 3.3% of the area that YPF has over Vaca Muerta and YPF will operate**

Chevron's investment is **totally at its own risk**, it is only repaid with 50% of the project's profits

Investment would be recovered only in the **ninth year**

The agreements are subject to **New York and Argentine Law**, with arbitration in the ICC in Paris

No. **YPF will not deposit any dollars** as guarantee

Sovereignty is to **not depend** on foreign energy resources

Myths

The Agreement has secret clauses

YPF is a state-owned company

Realities

There are no secret clauses, it is just confidential in compliance with the regulations that apply to any publicly traded company

Law 26,741, declared of public utility and subject to expropriation 51% of the equity interests in YPF S.A.

In Section 15, the Law establishes that for the execution of the Company's activities, YPF "**shall continue to operate as a public company pursuant to Chapter II, Section V of Law N° 19,550 and its corresponding regulations**, and shall not be subject to any legislation or regulation applicable to the management or control of Companies or entities owned by the National Government or provincial governments".

YPF is not a state-owned company, but, as stated in the Law, is a corporation. For that reason, negotiations with Chevron were carried out in compliance with all **obligations arising from both the Corporations Law as well as those arising from regulators and shareholders**, as a company listed on the Buenos Aires and New York Stock Exchange.

YPF

NUESTRA ENERGÍA

