YPF

Vaca Muerta Update

March 17th, 2014.

Disclaimer

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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.

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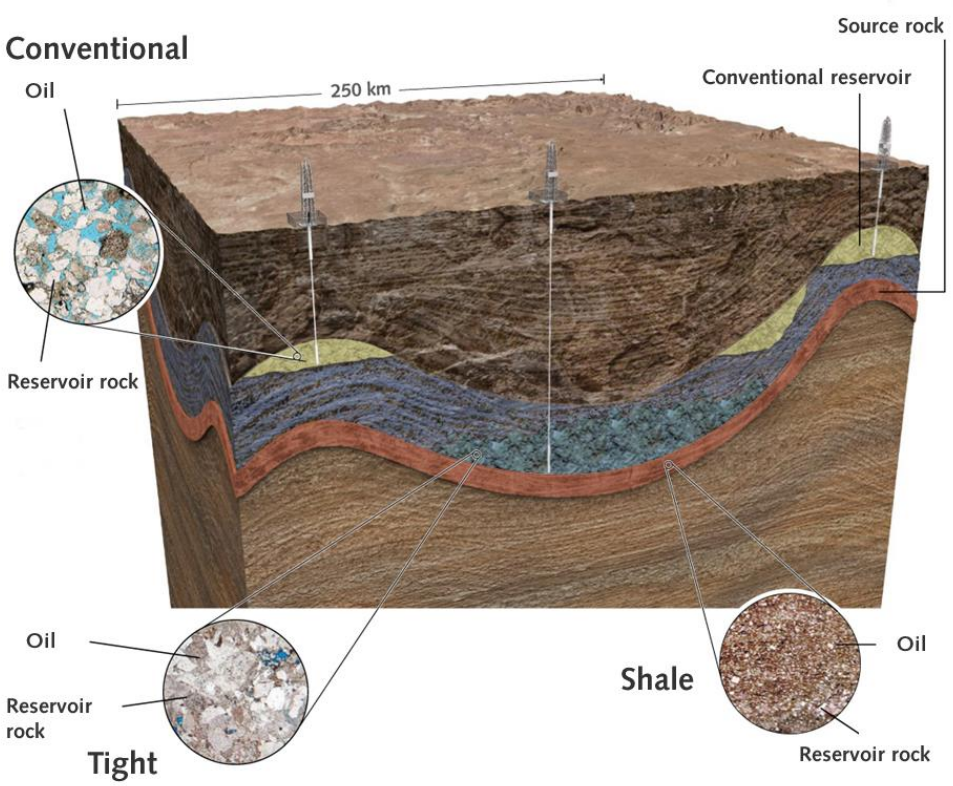
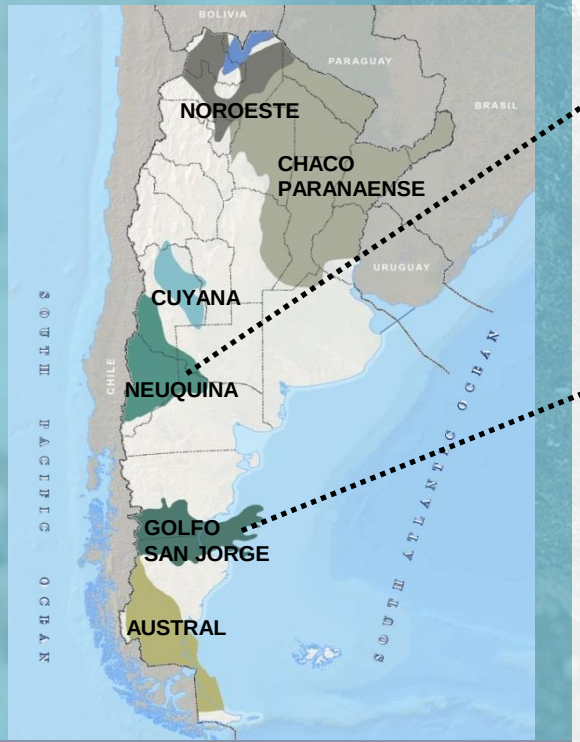
These materials do not constitute an offer for sale of YPF S.A. bonds, shares or ADRs in the United States or otherwise.

Contents

Shale concept



Opportunities in Shale / Tight Formations



Notes:
K: thousand; M: million; B: billion (10^9)

Tested & Producing

Vaca Muerta (shale oil / gas)
Area 30,000 km²

Lajas (tight gas)

Mulichinco (tight oil / gas)

D-129 (shale oil / tight oil)

Other Opportunities

Noroeste - Cretaceous
Yacoraite
(shale / tight oil & gas)

Noroeste - Tarija
Los Monos (shale gas)

Neuquina
Los Molles (shale / tight gas)
Agrio (shale oil)

Golfo San Jorge
Neocomiano (shale oil / gas)

Chaco Paranaense
Devonian – Permian (shale oil)

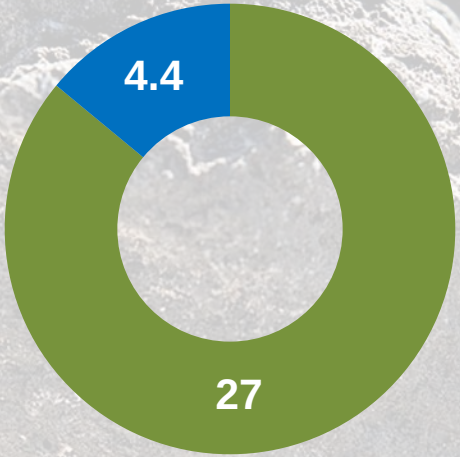
Cuyana
Cacheuta (shale oil)
Potrerillos (tight oil)

Austral
Inoceramus

Argentina has the resources to increase production

Source: Secretaria de Energia / U.S. Energy Information Administration (DOE) / Advanced Resources International (ARI), 2013

Oil Potential
(Bbls)

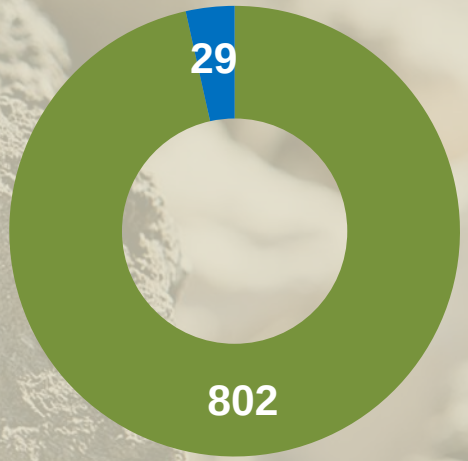


Conventional
(Oil 3P + Resources)

Unconventional
(resources)

4th in UC oil recoverable resources

Gas Potential
(Tcf)



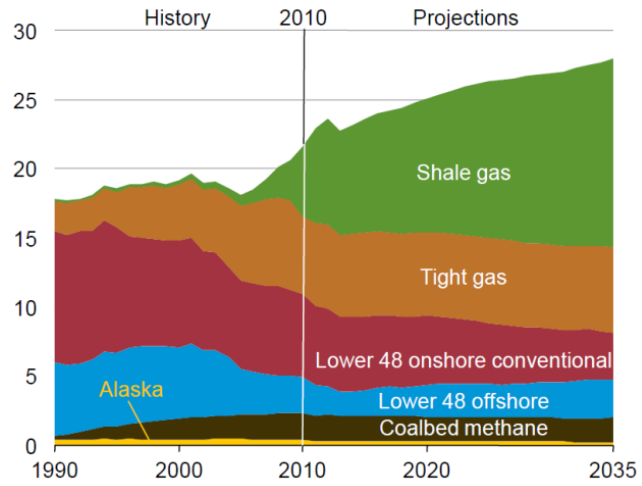
Conventional
(Gas 3P + Resources)

Unconventional
(resources

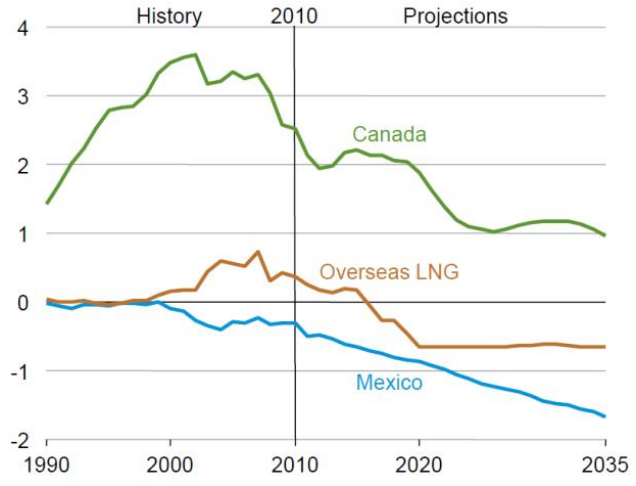
2nd in UC gas recoverable resources

Similiaraty to the US case

Gas Production (Tcf)

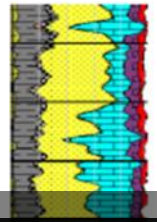
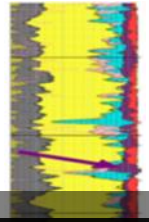
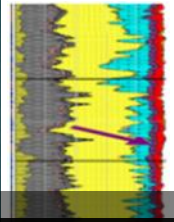
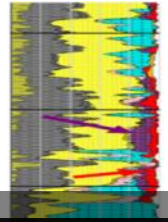
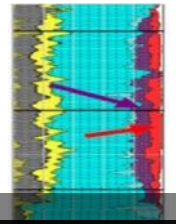
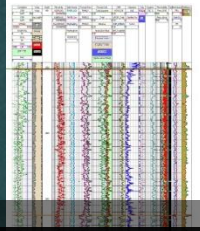
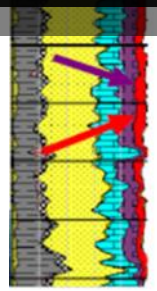


Gas Imports (Tcf)



Source: EIA 2012 Energy Outlook

Vaca Muerta vs. other unconventional resource plays

	Desired	Vaca Muerta	Barnett	Haynesville	Marcellus	Eagle Ford	Wolfcamp
							
TOC (%)	> 2	3-10	4 - 5	0.5 - 4	2 - 12	3 - 5	3
Thickness (m)	> 30	30-450	60 - 90	60 - 90	10 - 60	30 - 100	200 - 300
Reservoir pressure (psi)	High	4,500-9,500	3,000 – 4,000	7,000 – 12,000	2,000 – 5,500	4,500 – 8,500	4,600
							

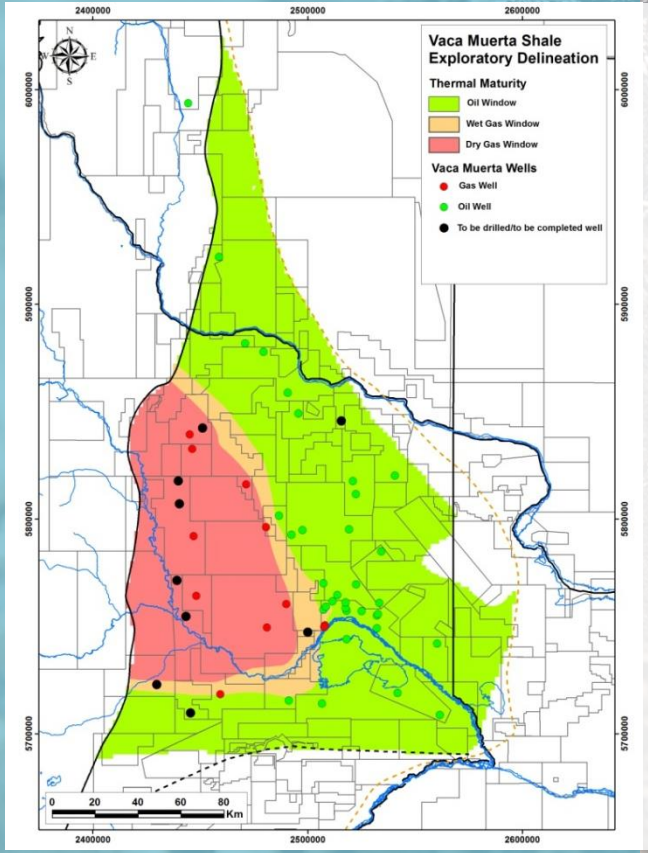
Characteristics

- Pres.= 550 – 650 kg/cm^3 at 2,800 m
- °API: 35 – 50
- Pb: 120 – 200 kg/cm^3
- GOR: 100 – 500 m^3/m^3
- Bo @ Pb: 1.5 – 1.9
- Viscosity @ Pb: 0.3 – 0.8 cP
- No H2S, Minor CO_2

Plant products - gas

	M^3/mm^3	Bbl/mcft
C2	445.25	79.29
C3	366.07	65.19
C4	199.58	35.54
C5	64.92	11.56
C6	16.79	2.99
C7+	11.63	2.07
C5+	93.34	16.62

Continuing exploration focused in Vaca Muerta



- Drilling or in Completion
- 2014 Drilling Campaign
- Drilled as of 31/01/2014

- Oil
- Wet gas
- Dry gas

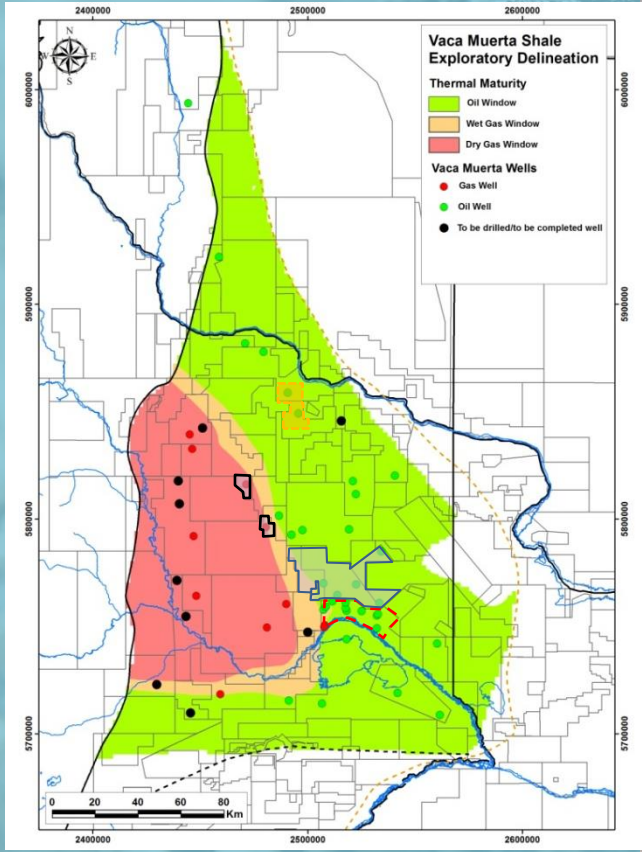
Progress in extended basin-wide delineation

Hold the shale acreage

Increase the value of shale acreage

Delineation of new development clusters

The next development clusters



Loma Campana Unconventional Development (395 km²)

The Vaca Muerta Shale Exploratory delineation has enabled YPF to define three additional core areas with short to medium term feasibility of development:

Bajada de Añelo - Bandurria - La Amarga Chica (850 km²)

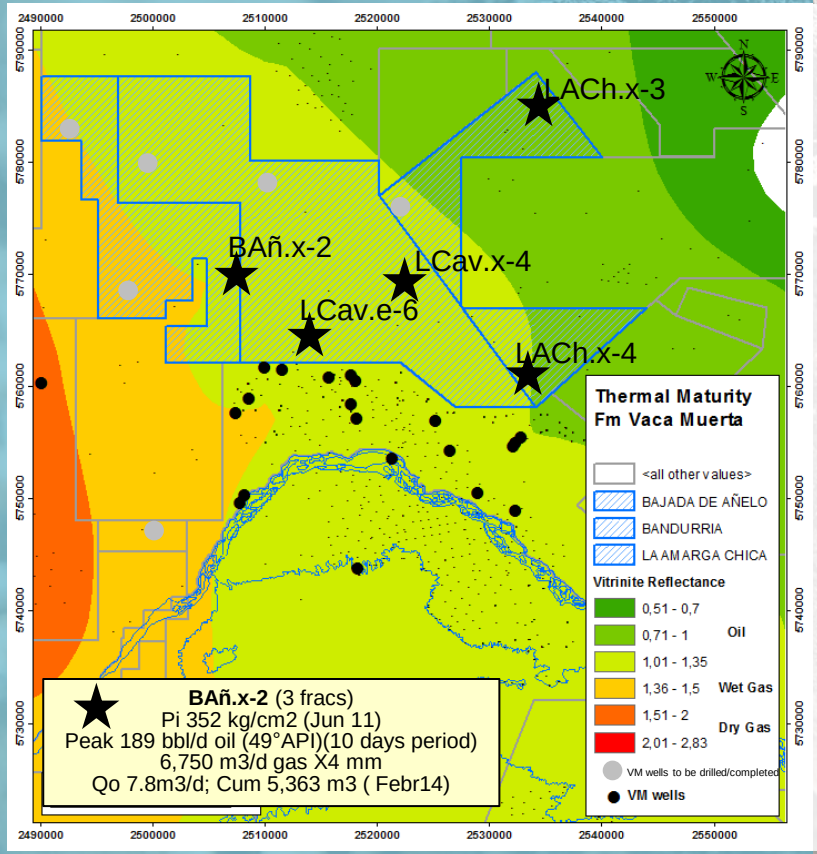
Narambuena - Bajo del Toro (250 km²)

El Orejano - Pampa de las Yeguas I (105 km²)

These three oil and gas core areas have been highlighted by the convergence of different aspects:

- Vertical Well performance
- Hydrocarbon in place
- Vaca Muerta rock quality
- Nearby facilities
- YPF opperated areas

Bajada de Añelo - Bandurria - La Amarga Chica Area



Summary

850 km2 defined by the YPF operated areas
5 oil producing vertical wells
1 well in completion
Light oil production (33 to 49°API)
Wet gas is expected towards the west (80 km^2)
130 to 250 m thick (Vaca Muerta high TOC interval)

Oil In Place

Bajada de Añelo, YPF 85% (200 km^2): 13.8 Billion Bbl
Bandurria, YPF 54.5% (463 km^2): 41.6 Billion Bbl
La Amarga Chica, YPF 90% (187 km^2): 14.7 Billion Bbl

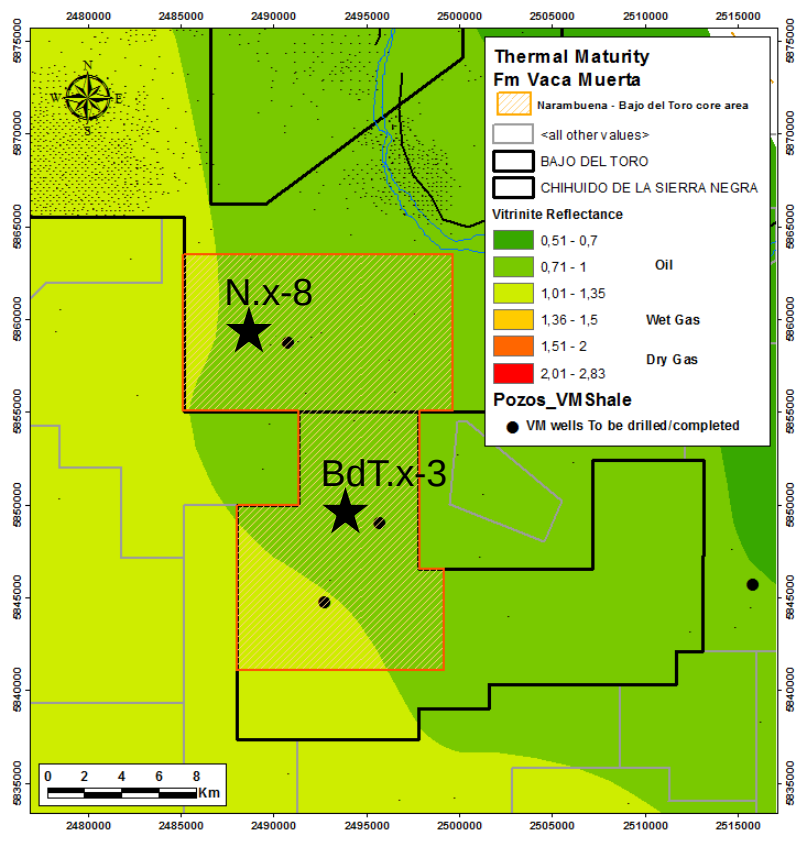
LCav.x-4 (5 fracs)
Pi 334 kg/cm2 (Ene 13)
Peak 346 bbl/d oil (41°API)(10 days period)
9,788 m3/d gasX3 mm
Qo 22.9m3/d; Cum 15,032 m3 (Febr 14)

LACh.x-3 (4 fracs)
Pi 254 kg/cm2 (Oct 11)
Peak 182 bbl/d oil (33°API) (10 days period)
2,300 m3/d gas X4 mm
Qo 7.6m3/d; Cum 4,779 m3 (Febr14)

LCav.e-6 (5 fracs)
Pi 349 kg/cm2 (Abr 13)
Peak 126 bbl/d oil (45°API)(10 days period)
6,450 m3/d gas X3 mm
Qo 6.9m3/d; Cum 4,107 m3 (Febr 14)

LACh.x-4 (4 fracs)
Pi 307 kg/cm2 (Ene 13)
Peak 296 bbl/d oil (40°API)((10 days period)
5,300 m3/d gas X3 mm
Qo 13.3m3/d; Cum 6,985 m3 (Febr14)

Narambuena - Bajo del Toro Area



Summary

250 km2 defined by the YPF operated areas
2 oil producing vertical wells
1 well to be drilled (slant geometry)
Light oil production (35 to 37°API)
230 to 320 m thick (Vaca Muerta high TOC interval)

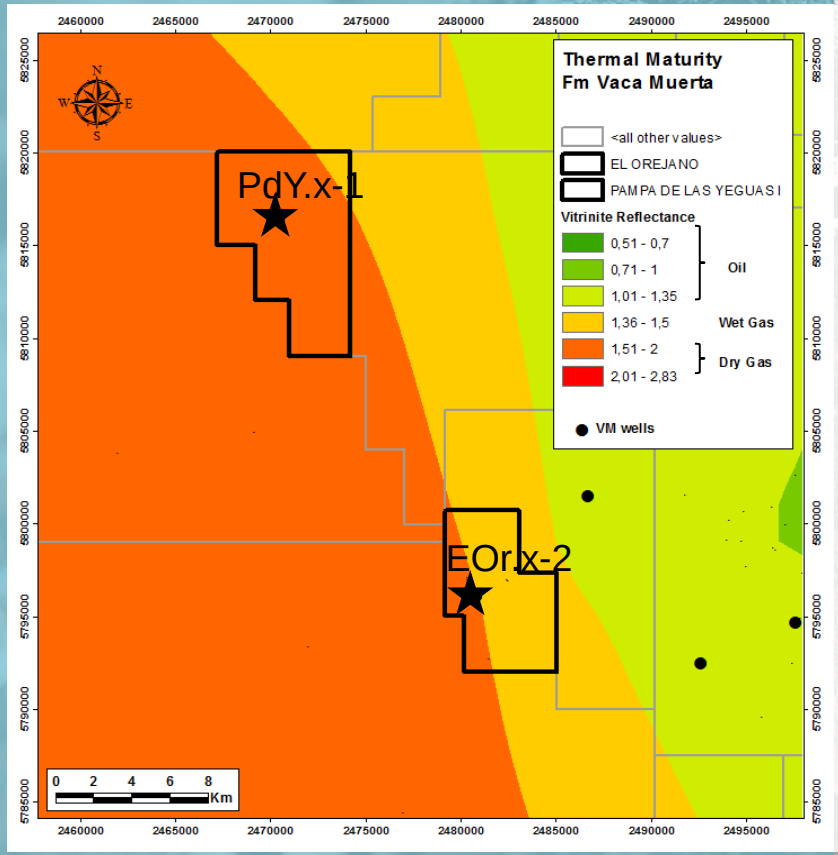
Oil In Place

Narambuena, YPF 100% (125 km^2): 11.2 Billion Bbl
Bajo del Toro, YPF 46.8% (125 km^2): 14.9 Billion Bbl

★ **N.x-8** (7 fracs)
Pi 318 kg/cm2 (May 13)
Peak 308 bbl/d oil (35°API)(10 days period)
4,800 m3/d g X3 mm
Qo 9.9 m3/d; 5,141 m3 (Febr 14)

★ **BdT.x-3** (6 fracs)
Pi 360 kg/cm2 (May 12)
Peak 459 bbl/d oil (37°API) (10 days period)
11,500 m3/d g X4 mm
Qo 3.6 m3/d; 6,542 m3 (Febr 14)

El Orejano - Pampa de las Yeguas I Area



Summary

105 km2 defined by the YPF operated areas
1 gas producing vertical well (connected to gas line)
1 gas/condensate vertical well (flowback test)
El Orejano block in the initial phase of a Development pilot project (16 wells, 4 wells already drilled)
Gas and Condensate production
160 to 290 m thick (Vaca Muerta high TOC interval)

Gas In Place

Pampa de las Yeguas, YPF 45% (60 km^2): 11.1 TCF
El Orejano(*), YPF 50% (45 km^2): 5.6 TCF

★ **PdY.x-1** (7 fracs, above fish)
Pi 409 kg/cm2 (Febr 14)
Peak 16,380 m3/d g (3 days period)
4.5 m3/d cond (51-57°API)X3 mm
In flowback test (last 38 days)

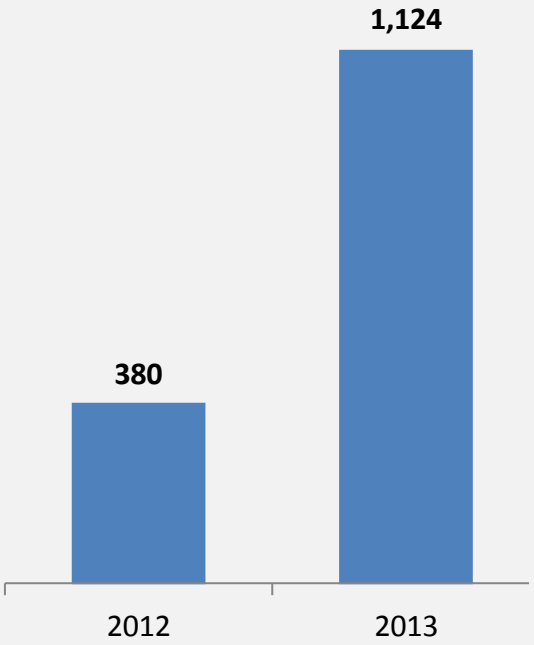
★ **EOr.x-2**(3 fracs)
Pi 337 kg/cm2 (Mar 12)
Peak 117,930 m3/d g X6 mm
(4 days period)
Qg 11.9 km3/d; 9.7 Mm3 gas (Jan 14)

(*) Joint Venture with DOW

Unconventional: Increase in Activity

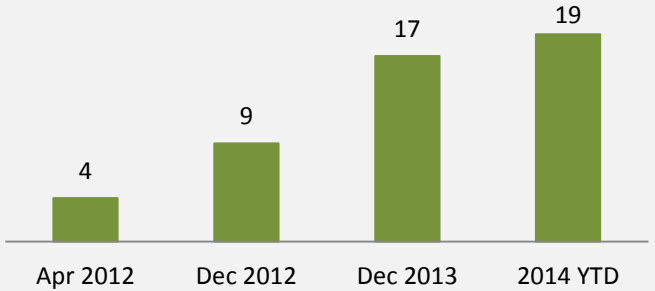
Investment growth

Investments (MM USD)

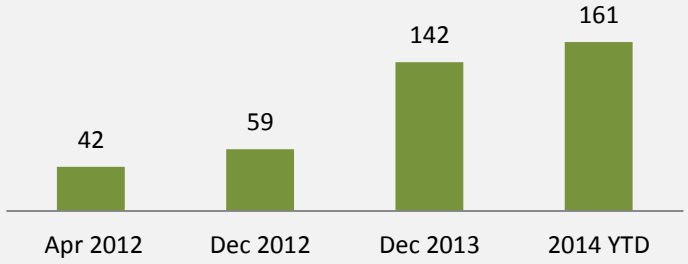


Important Activity Increase

Drilling Rigs

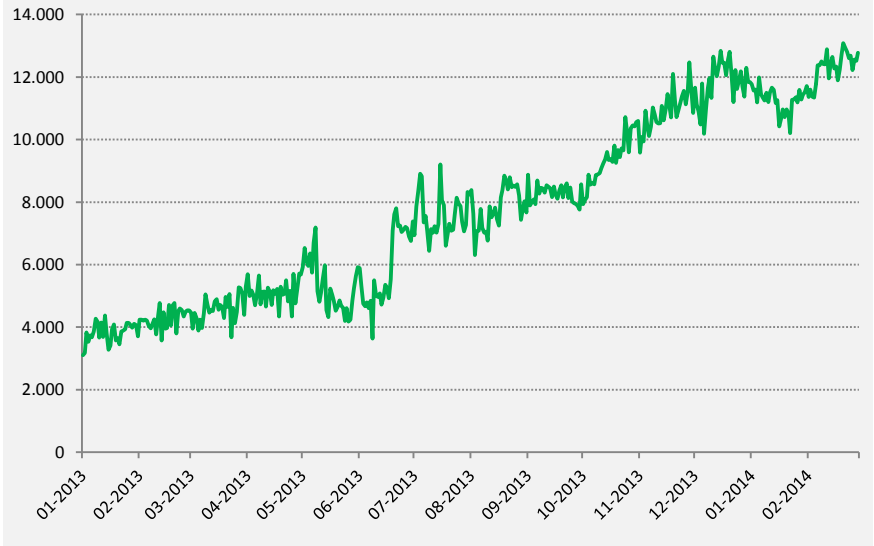


Wells in Production

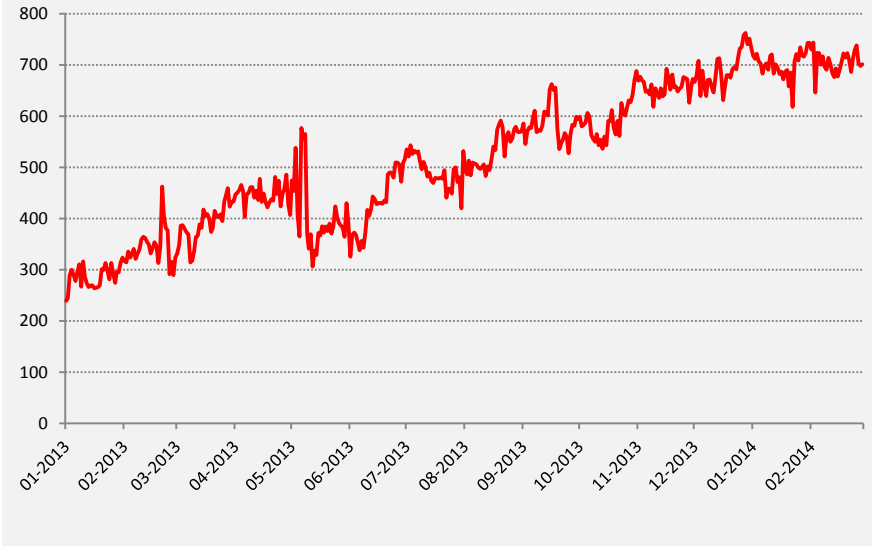


Unconventional: Increase in Production

Oil (bbls/d)



Gas (km^3/d)



Wells in production **161**

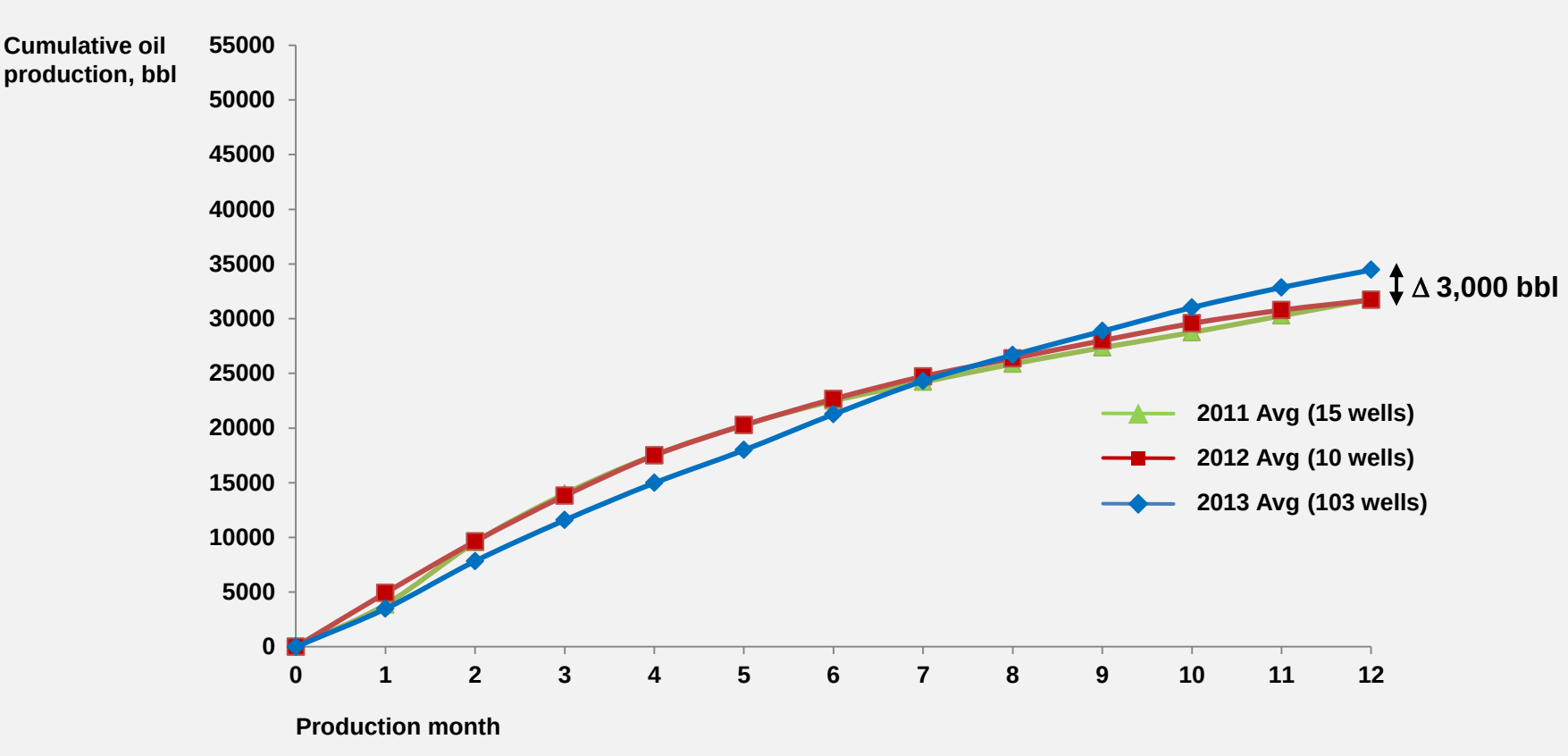
Current production **20,000** boe/day

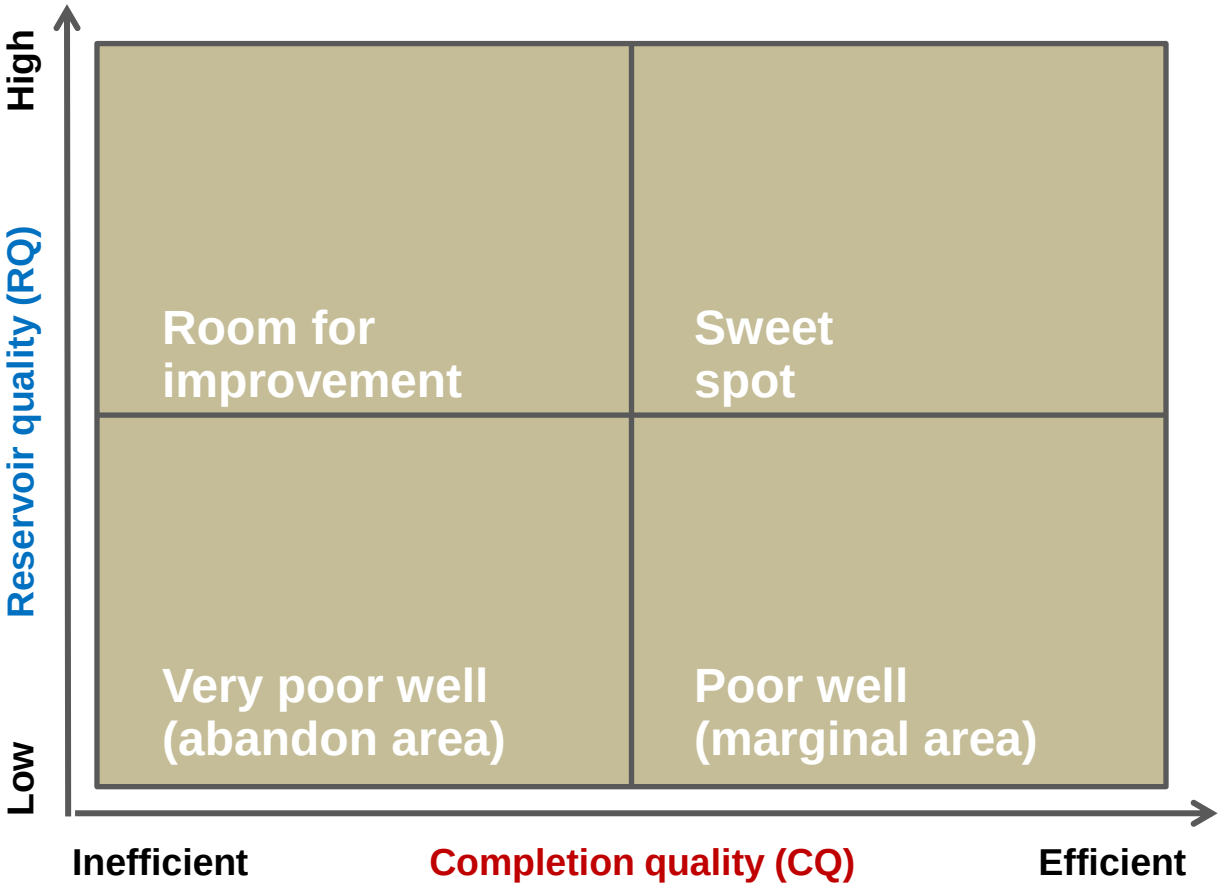
2 Main Drivers to Reach an economical development

Increased Productivity	Well Construction Cost Reduction
• Improve subsurface understanding	• Casing Drilling Techniques
• Identify the Sweet Spots	• Local Sand Sourcing
• Optimize completions	• Operational efficiency optimization
• Successful horizontal development	• Contracts renegotiation

Contents

Hydraulically fractured vertical well productivity





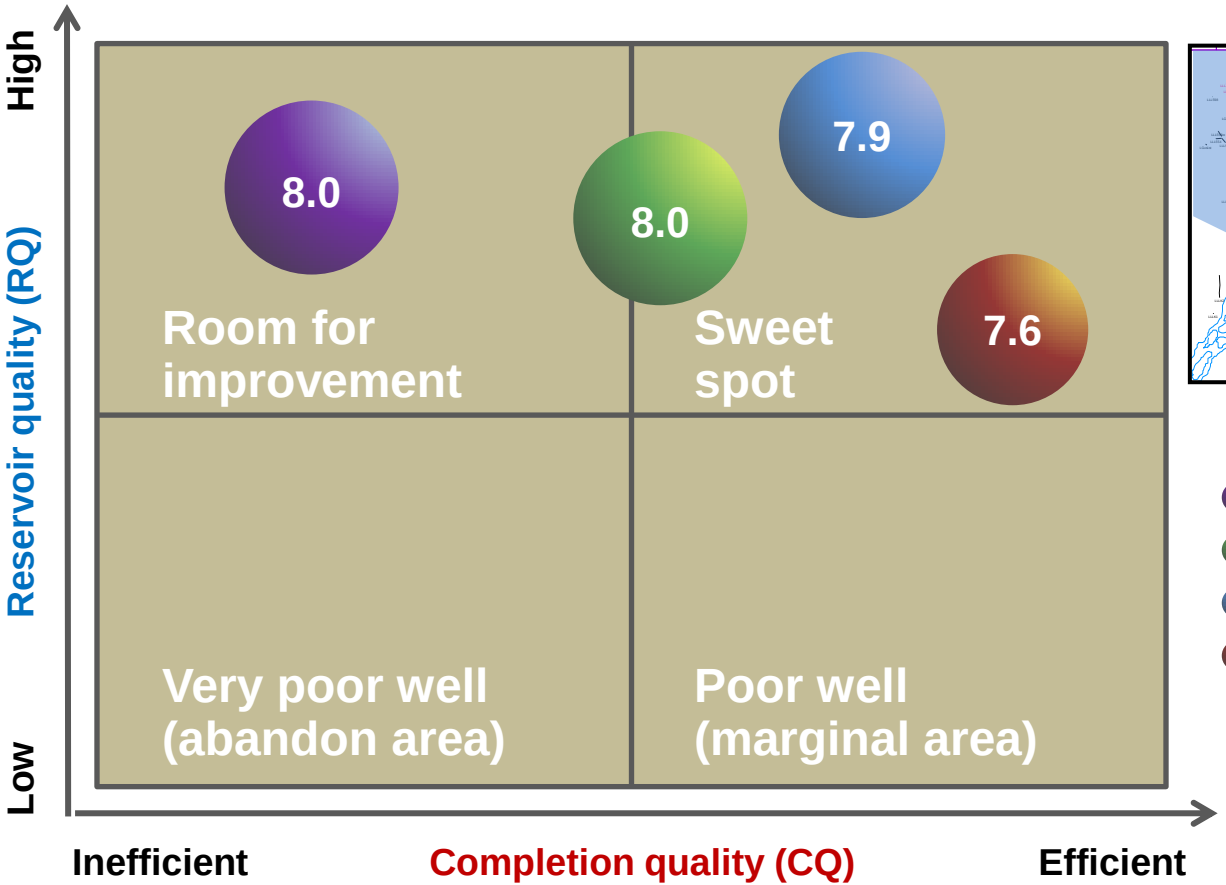
Reservoir Quality

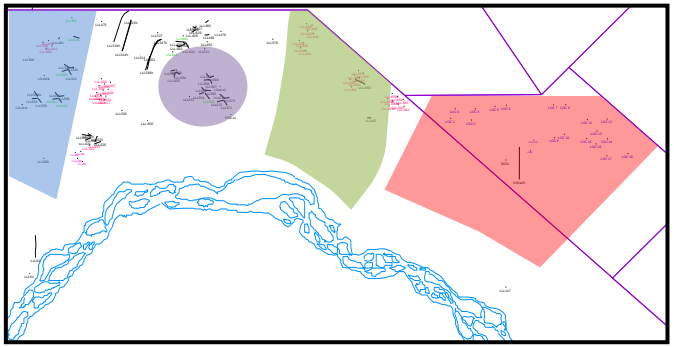
- Porosity
- Water saturation
- Permeability
- TOC
- Mineral content
- Maturation
- Pore pressure

Completion Quality

- Containment
- Fracturability
- Low solids production
- Low rock-fluid sensitivity

2013 Results: Sweet Spot Economic View

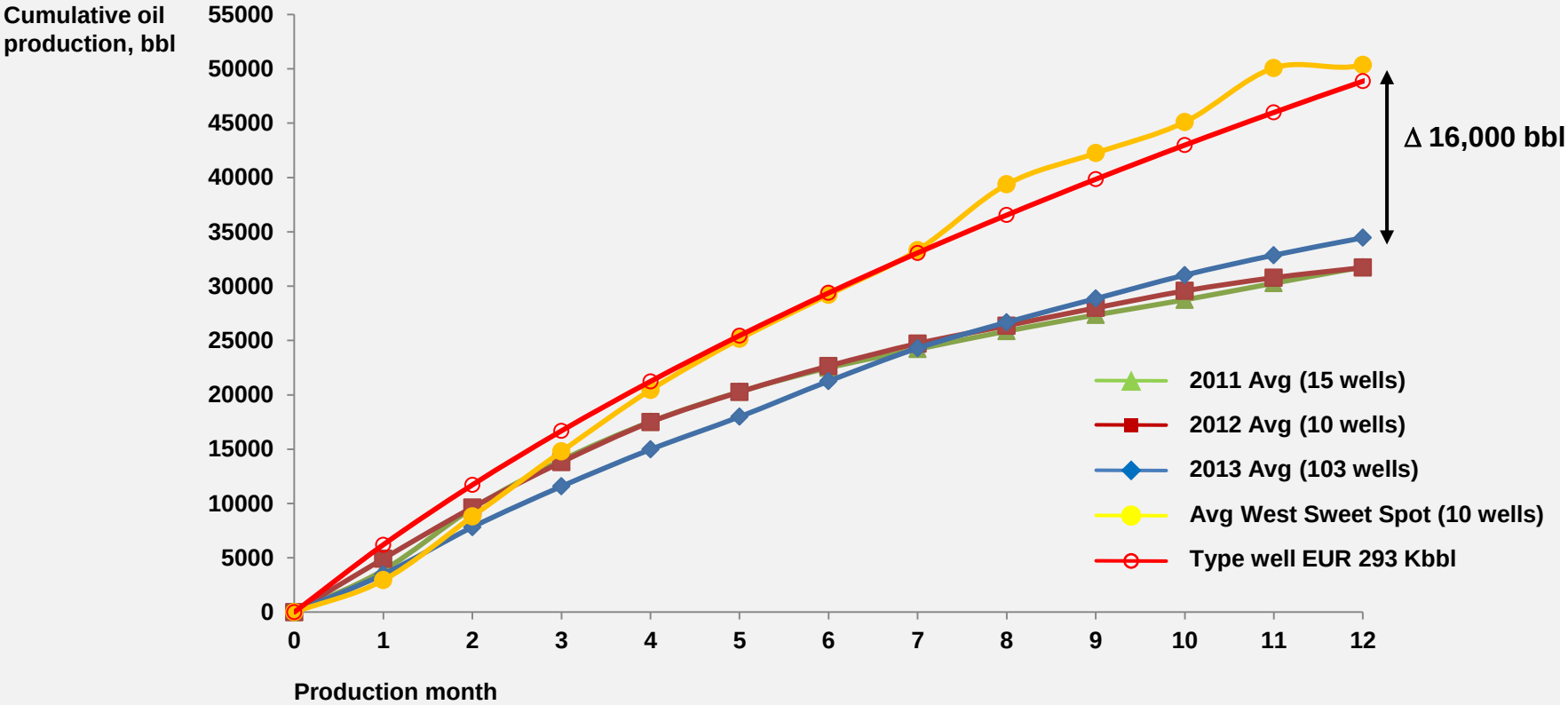




- Structurally Complex
- LLL East
- Sweet Spot NW
- Loma Campana

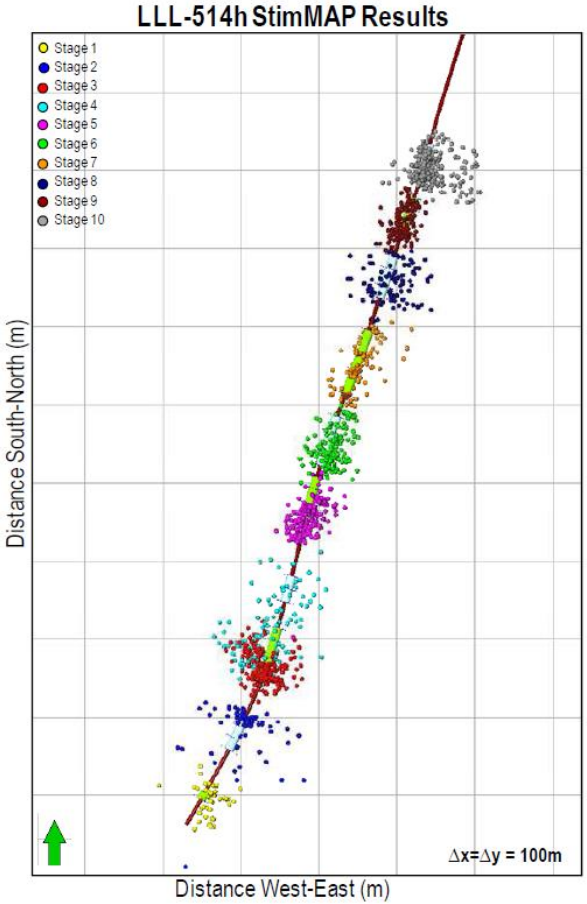
Size of balloons refers to vertical well construction average cost in millions US dollars.

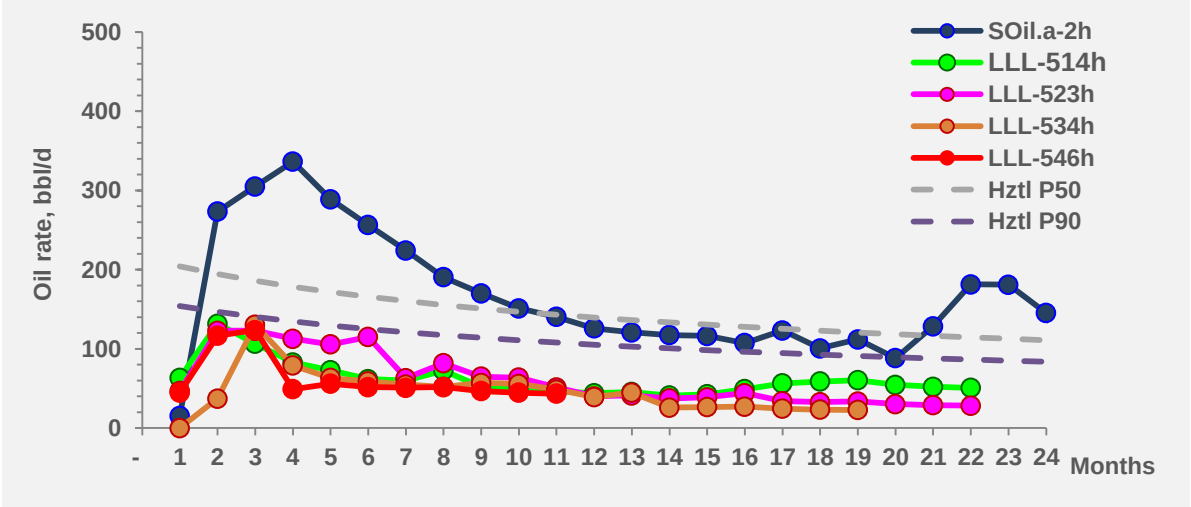
Hydraulically fractured vertical well productivity at the sweet spot

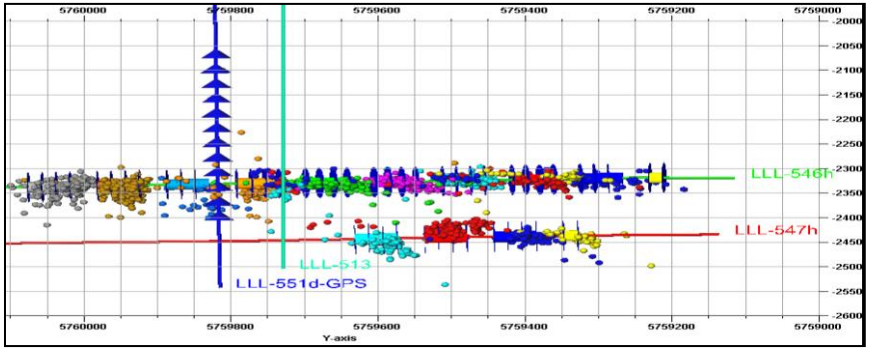


Contents

Previous experiences with horizontal wells in Loma Campana







New Approach for Horizontal development

Multidisciplinary team approach:
YPF / SLB / Von Gonten

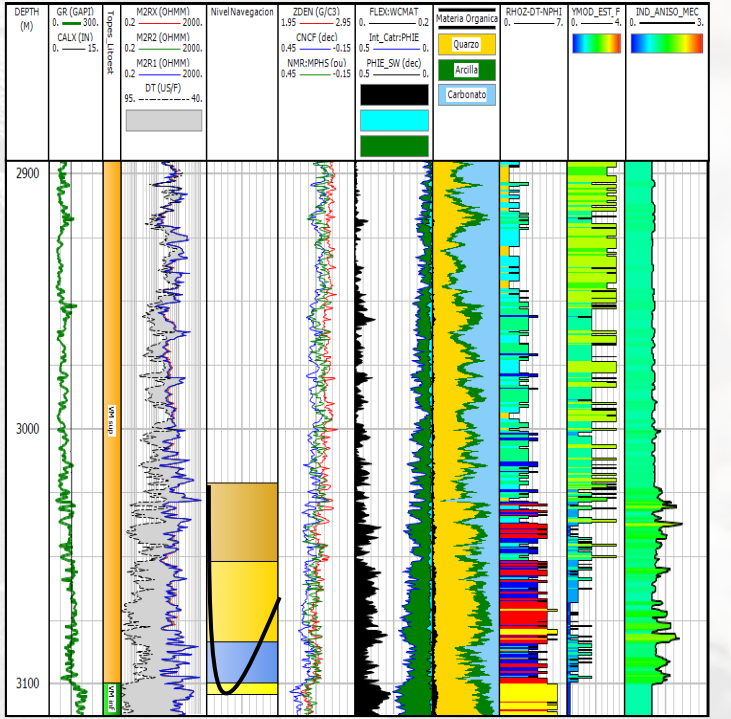
Microseismic monitoring to:

- Observe frac growth
- Be prepared to take proactive actions

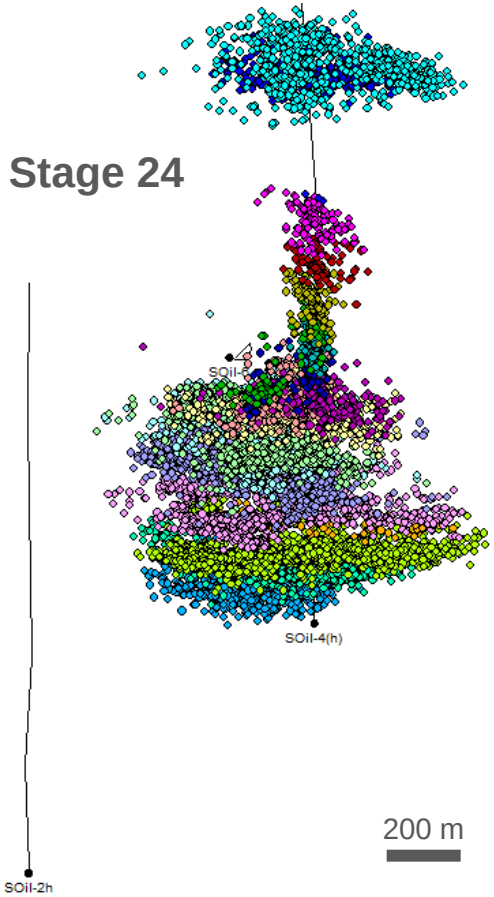
Tackle ashbed/conductivity losses with increased pumped sand and frac conductivity

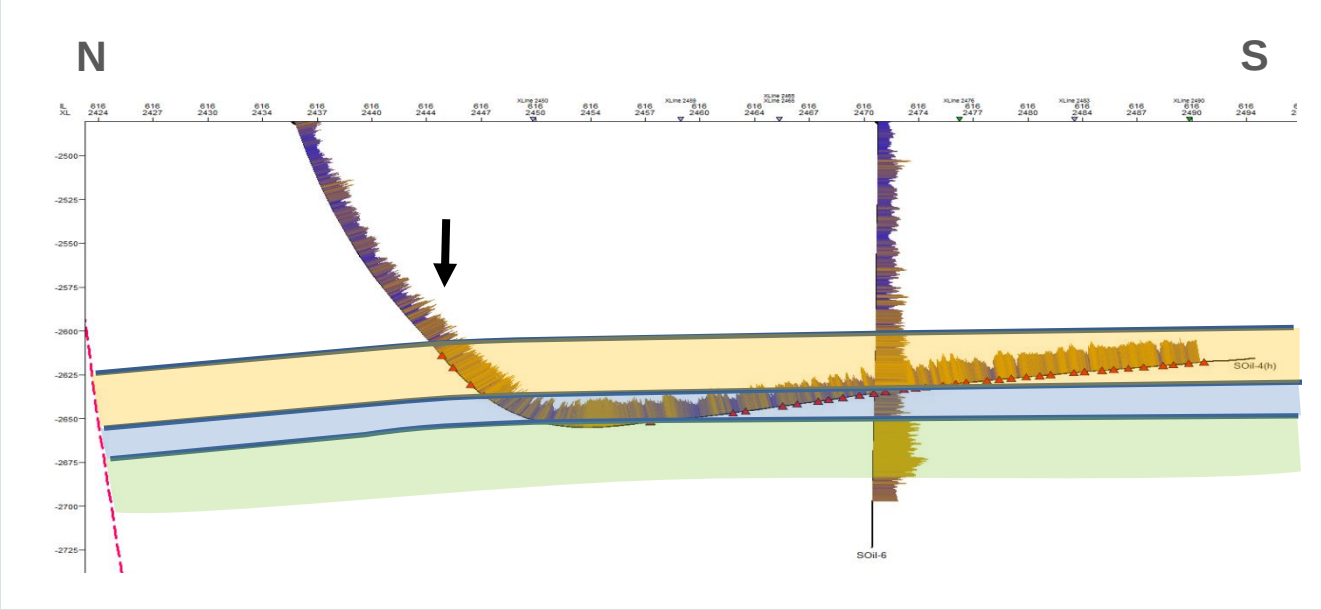
Perforation re-design: re-accommodate perforation clusters

Stimulation re-design: increase total proppant per stage

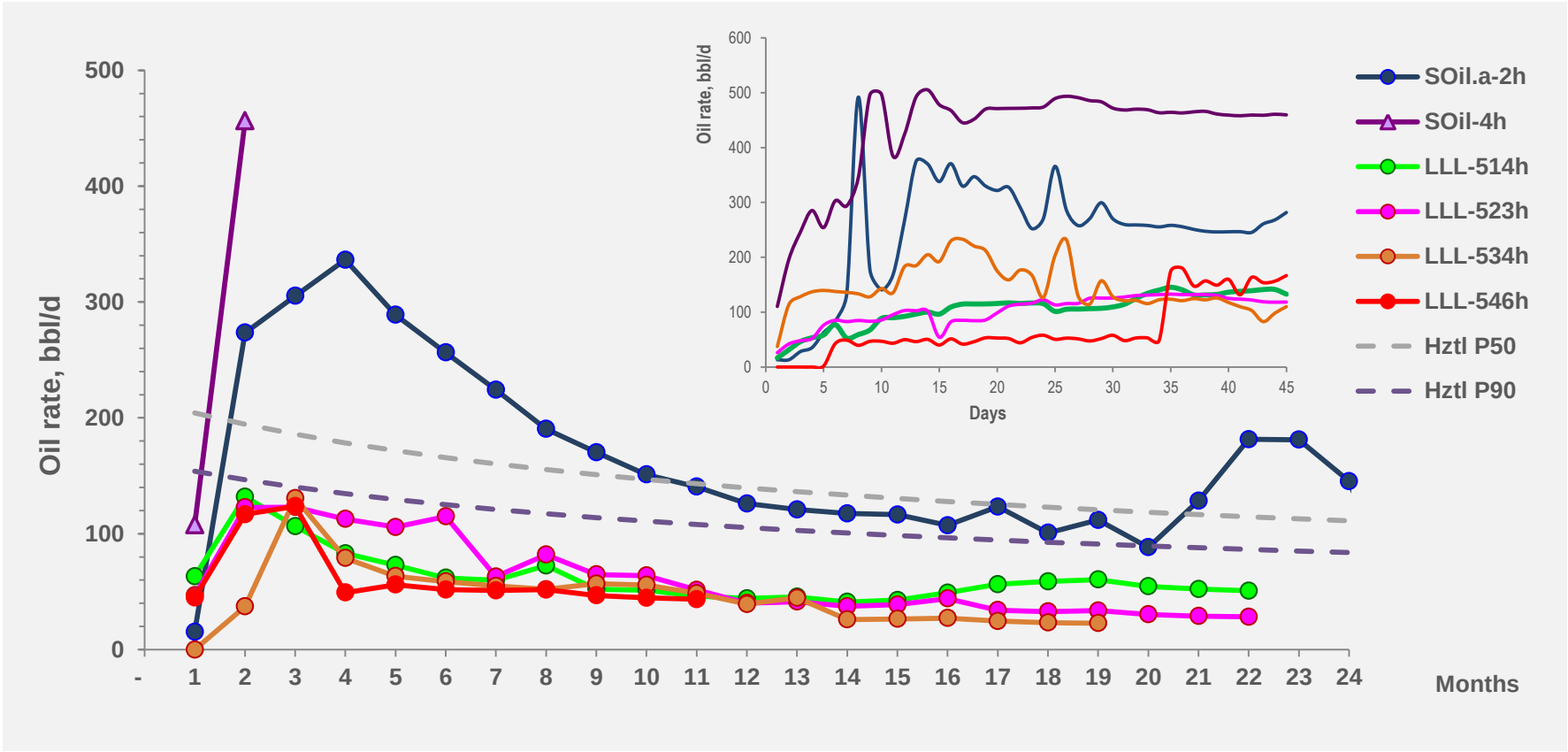


Microseismic monitoring from SOil-6: plan view

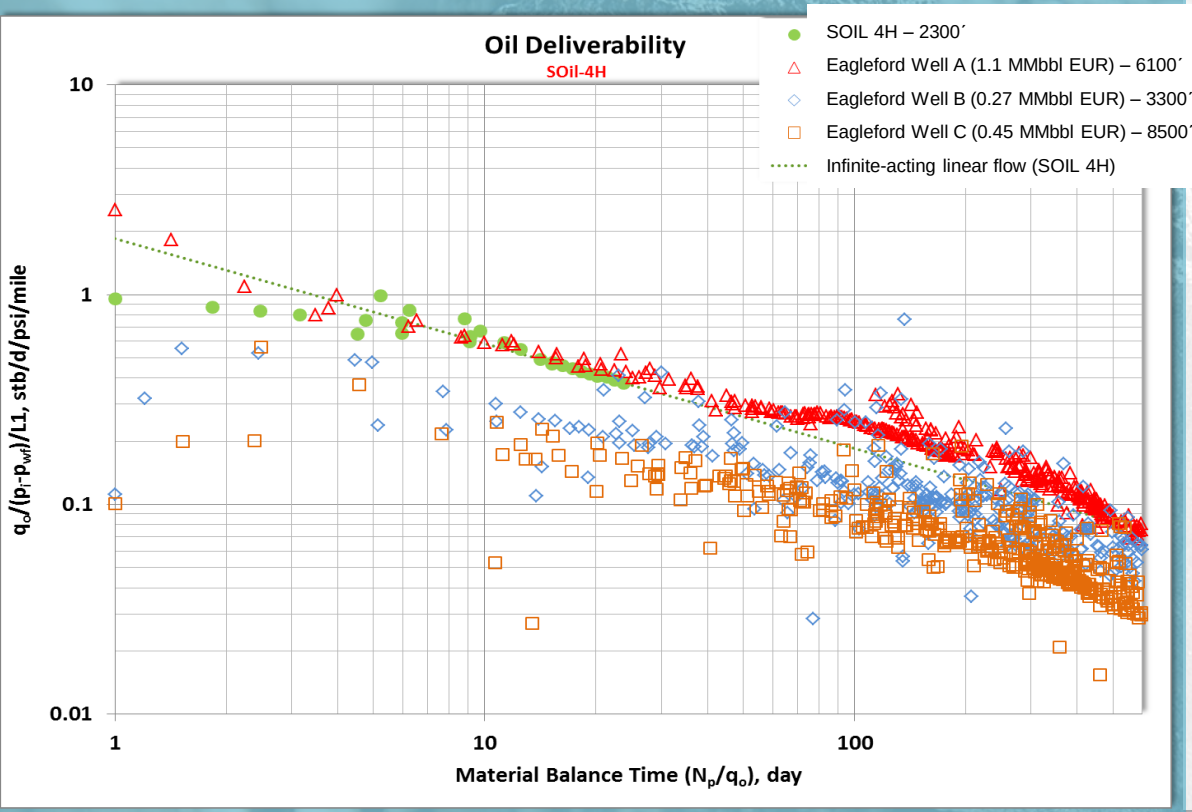




Horizontal well performance including SOil.-4h



Deliverability Comparison



Normalization on Stimulated Length

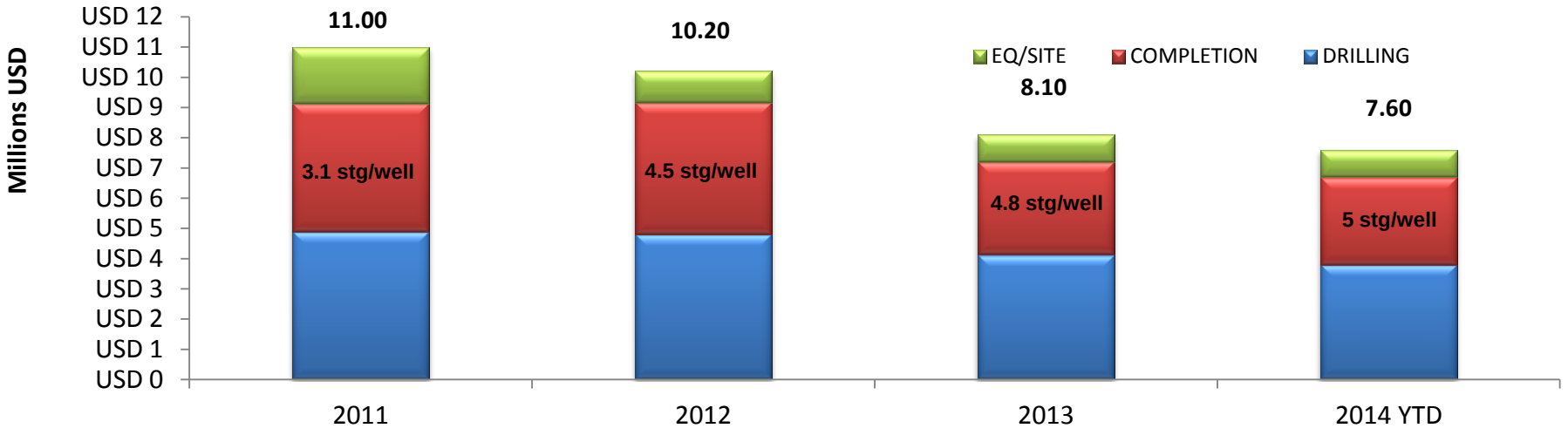
When normalized against the effectively-fractured length, SOil-4H displays a superior deliverability compared to 3 different black oil Eagle Ford wells

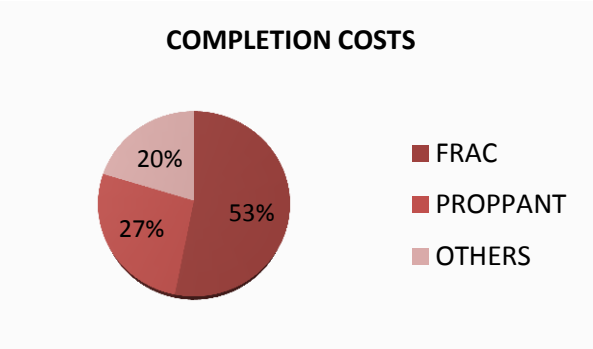
In conclusion, had SOil-4H been drilled and completed at its full length, it might be boasting the high production rates of the best Eagle Ford black oil horizontal wells

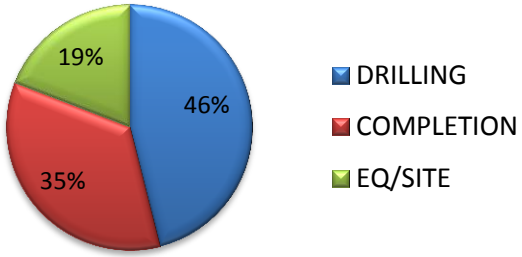
Source: WD Von Gonten, comparison study prepared for YPF.

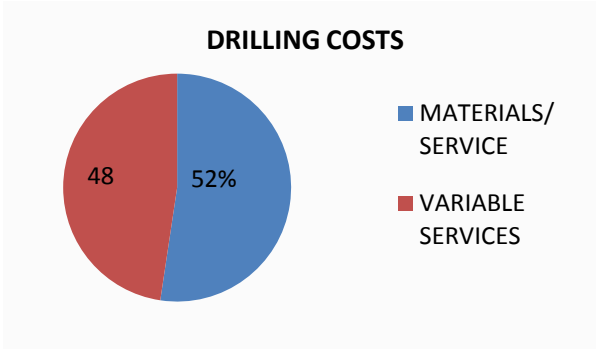
Contents

YPF | WELL COST *Drilling & Completion*

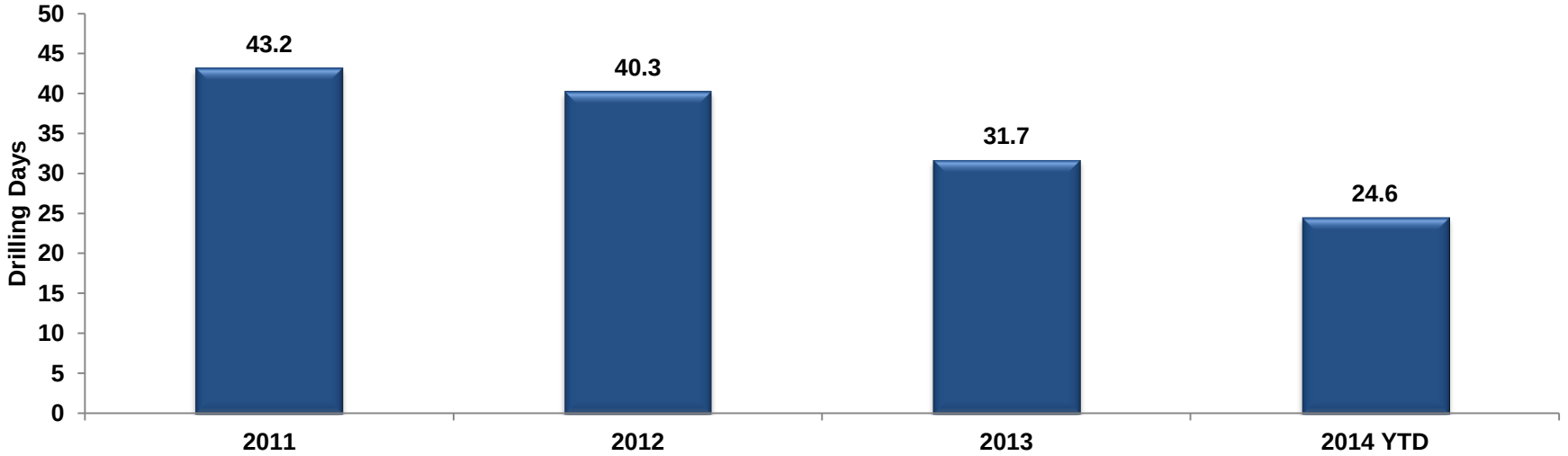








Drilling: Time Improvements



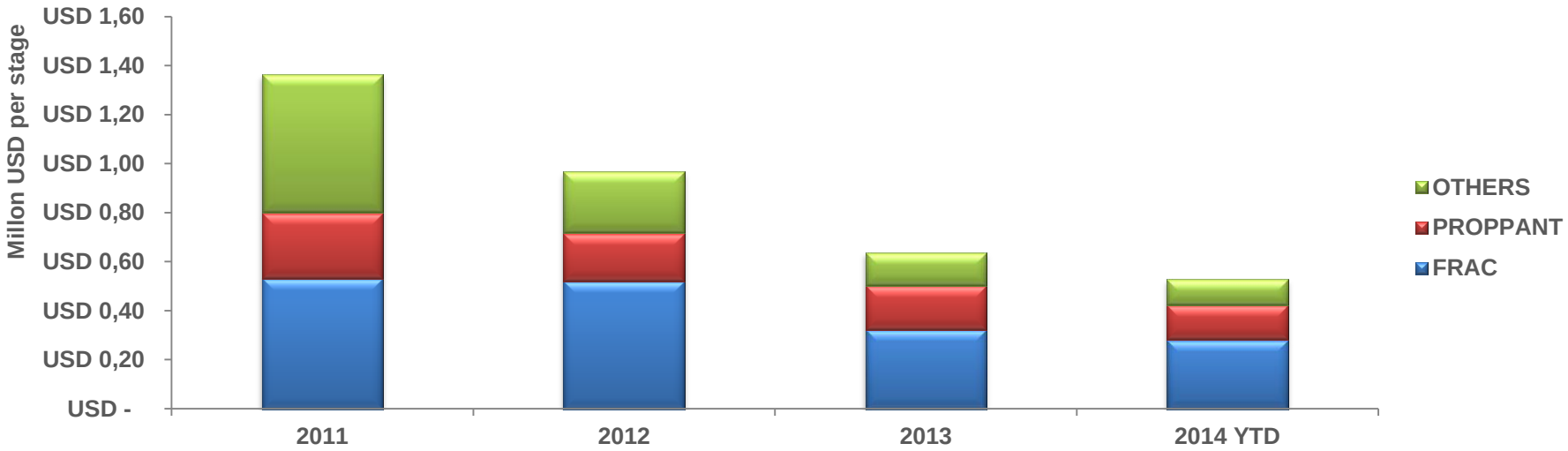
Implemented Initiatives:

- MPD / UBD Operational Procedure
- Introduction of Casing Drilling
- Directional Drilling Optimization
- Multipad locations

Future Opportunities:

- Widespread use of Casing Drilling
- New automated rigs / skidding
- Use of 4” DP for entire well
- Mud Plant

Completion: Costs Improvements



Implemented Initiatives:

- Monthly “Bundle” contracts
- Multiple proppant providers
- Adoption of new technology
- Operational efficiency Optimization:
  3 stg/day, SIMOPS, Plug & Perf technology

Future Opportunities:

- Renegotiation of Bundle Contracts
- 100 % local proppant utilization
- Bulk proppant logistics
- Water distribution Network

Contents

Principal challenges for a large development

Enhance development economics

+ **Increased Productivity**
  - Improve subsurface understanding
  - Identify the Sweet Spots
  - Optimize completions
  - Successful horizontal development
+ **Well Construction Cost Reduction**
  - Casing Drilling Techniques
  - Local Sand Sourcing
  - Operational efficiency optimization (new rig fleet)
  - Contracts renegotiation

Reserves

+ **Reserves Estimation Methodology**
  - Traditional DCA methods do not apply
  - It is necessary to consider Pressure decline rates (RTA, Simulation)

Principal challenges for a large development

Design a sustainable development

+ Minimize the environmental impact

- Multiwell Rig Pad (Rigs “fit for purpose”)
- Optimize Water and Sand logistics (Minimize truck transportation)
- Pipe network for water pumping to well location
- Railway to the site for sand storage
- Treatment and re-use of Flow back water

Align objectives with all the stakeholders

+ Federal and Provincial Government

- Provide the right regulatory scheme

+ Communities

- Expand Social License to operate

+ Labor Unions

- Enhance labor contracts focusing on productivity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