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Sustainability Report | 2013



Sustainability Report | 2013

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Our environment, our vision

This year and the followings, the water and its preserving features prominently on the agenda of OEG and company initiatives in sustainability and environment are demarcated for this purpose.

At Omega Energy, energy is our core business and water is our corporate commitment, this report gives a special recognition to all water resources in Colombia.



Pisba / Boyacá - Colombia

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Strategy and Analysis

MESSAGE FROM PRESIDENCY

***G4-1**

This year it is particularly gratifying for us to submit this Sustainability Report. This exercise has been perhaps the first to show in a representative manner how the sustainability initiatives of Omega Energy Group (OEG) have been incorporated into our corporate DNA. In the strategic reassessment for 2013, the communities took a priority place in our investment plan. Today we can proudly say that we have provided them with a transferred added value of 914,000 dollars equivalent to about 14% of the operating benefits received by OEG in this period.

Our strategy to increase production and achieve more efficient operations was materialized in our 2013 investment plan, which reached close to 18 million dollars in drilling,

facilities and infrastructure, seismic reprocessing and others. As a result of the above, our gross production reached 855 million barrels, an increase of 173 million barrels as compared to the previous year. Similarly, our production costs fell 2.82 dollars per barrel.

By strengthening non-conventional reprocessing technologies, we were able to reprocess and reinterpret all 2D and 3D seismic information from the blocks Buenavista and Condor, which allowed us to improve the image of the subsoil, understand reservoirs and find new exploratory opportunities. The discovery of additional reserves in the Picacho formation and new prospective structures for the Socha formation in block Buenavista was produced due to this work. The above generates the consolidation of the

crude oil project in the same block with the drilling of three additional stratigraphic wells, showing the great potential of tertiary reservoirs.

In terms of findings, in field pens, in field Corrales, Block Buenavista, the successful results of well Corrales 5 with an initial production of 1,400 barrels allowed doubling the production of this field. Likewise, the positive results of

tests on well Medina 1, Block Condor, demonstrated the presence of liquid and gaseous hydrocarbons in the formations lower and upper Mirador, Cuervos and Une.

At the end of the year we had another exploratory success: the discovery of the well Acordeonero 1 in block Midas with an initial production of 2,700 barrels. We have an interest in this block through the shares held in the company North



Omar Leal Quiroz / President



Riding and Rend Lake Corp, who operate the block in partnership with Petrolatina. These achievements were great news for our production prospects in 2014.

Expanding our international presence, we signed the exploration agreement for block Parapiti in Paraguay and acquired 60% of the block La Patria in said country, where our strategy is the production of non-conventional hydrocarbons.

Also, as part of our strategy to consolidate our position as an energy company, in 2013 we acquired from the company Andean Chemicals, an affiliate of Ecopetrol in the United States, 5,000 acres located in the State of Louisiana intended to the cultivation of sugar cane for ethanol production.

Revenues for year 2013 reached 81.4 million dollars with a growth of 40%, which was reflected in the generation of EBITDA for 39.8 million dollars, i.e. 8.3 million dollars above the previous year. The sound financial performance of OEG allowed us accessing to important credit facilities to fund the acquisition of the share of P1 Energy in Union Temporal Omega, which through a Service Agreement carries out exploration and production activities with Vetra for the contract of block La Punta.

In 2013 OEG also fostered an initiative that we have called project “Salva,” which seeks to promote investment pro-

jects with high social and environmental impact in the agricultural area with the purpose of creating mechanisms that in addition to contributing to food security, generate carbon and the recovery and increase of water sources.

For 2014 our first challenge is to complete the construction of the gas dehydration plant, the compression plant and the gas sales line from field Corrales to the Belencito terminal. In this same region, we will initiate the drilling of three additional wells in block Buenavista in order to increase the production of the block and identify the production potential of other formations that have not been tested.

In block La Punta, the target initial is to drill the wells Juape and Ugami and for the end of the year to resume the drilling campaign of additional wells that allows us to at least reach a total of six million barrels.

Our strategy is to convert our exploratory assets into production assets and increase our acquisitions. Our only ambition may only be achieved insofar as we maintain our philosophy of substantially investing in the prosperity and wellbeing of the communities, regions and countries where we carry out our activities. This economic and social commitment, accompanied by the best environmental conservation practices and the promotion of initiatives in the same field, are for us the only viable way to generate energy for future generations. ♦

INSIGHTS OF OMEGA



ANA MARIA PEREZ – UTOE

“The agreement for Housing Improvement in the Municipality of Corrales achieved as a main objective to preserve and keep families in their habitat without causing displacement, and contributing in this way to improve their living conditions”

RICARDO FERNANDEZ – UTOE

“It is a company dedicated and committed to its collaborators life quality, the environment and security.”

ANDREA SANCHEZ – UTOE

“OMEGA ENERGY has directed its production process to a sustainable sustainable development by raising the respect for nature and the integration of the community's area of influence ...”

ALEYDA PACHON – OEC

“As Omega Energy Group, we are committed for caring to the environment, as well as the economic growth, according to them we have established programs for efficient use of natural resources including advocacy to all our employees and the communities where we carry out our activities”.

LAURA RUIZ – OEC

“We work for and with energy, by joining forces, establishing partnerships, strengthening our human capital and presenting results of high positive impact inside and outside the organization”

LARISA JASBON FADUL – SALVA

“OMEGA ENERGY GROUP understands energy as a catalyst that enables societies to evolve.

NELSON RINCON - UTOE

“The road has not been easy, but exploring and producing excellent oil, we have learned to create and share values in everything we do “

MICHAEL GARCIA - OEC

“Omega has fostered an environment that allows innovating with responsibly. Creating is part of our common language, and make it with quality is the reason for our existence”

JAIME MONROY - UTOE

““Within the company there are programs for waste management, use and conservation of energy and water efficiency, in which we raise awareness to both the development of our business activities and appliance at home”

YULY NEIRA - NIKOIL ENERGY CORP

“OEG has managed to assimilate environments in all dimensions; impacts have been identified, mitigation strategies have been generated and greater opportunities has been found for projects, communities and the environment”

ANGIE OSORIO – OEC

“We have changed the direction of our purposes, changing from being subjective to be fair; looking for any work that has been planned and executed to procured benefits for all parties involved”



EFFECTS, RISKS AND OPPORTUNITIES

*G4-2

During 2013 we began the Consulting Project with PricewaterhouseCoopers (PwC) in order to update our Strategic Plan, strengthening the Corporate Governance structure and our Risk Management through the analysis, characterization and redesign of OEG's strategic processes.

The purpose is to adopt and implement best practices that ensure compliance with strategic objectives in the financial, environmental and social dimensions, new businesses, human resources, as well as in the Core of our activity, so as to ensure all the dimensions for OEG's sustainability and additionally to complement existing processes to achieve more efficient operations, increase production, incorporate new seismic interpretation technologies to allow optimizing the modeling of reservoirs in our fields, more efficient

financing and careful but effective interaction with the communities where we operate, always keeping in mind the empowerment of them in our business model.

For the effective increase in our reserves and the transformation of our portfolio of projects, we have reached a credit agreement with the Bank UBS and we continue managing the resources obtained from the issuance of bonds issued through the Bank of New York with an impeccable behavior.

We have improved engineering designs to streamline production through an ambitious plan of new and renovated infrastructure in our facilities to reduce costs and the effects positively reflected in the Opex of the company. We

contemplate the deployment of infrastructure in the gas area as an essential component in our business model.

Commercial and logistical efficiencies were achieved in the distribution chain, which resulted in the improvement of the company's margin, which means an increase in revenues regardless of the production volume. The placement of production was also achieved in the medium term, whereupon future cash flows and the return of the investment made are guaranteed.

By diversifying our portfolio and as a complementary alternative to contribute to sustainable development and to achieve global energy efficiency, we have moved forward in our biofuel project by closing the purchase of lands in Louisiana (United States) with Ecopetrol, convinced that the production and development of fuels of a natural origin in that country, together with the exploration and exploita-

tion of hydrocarbons, complement our social and economic purpose.

In the quest to be consistent with our commitment to the communities and the generation of shared values with them, we have created the initiative "Salva," aimed at sustainable high-impact agricultural production under an interdependence model in the communities where we operate, initially in Boyaca.

As a result of our strategy, we have reached a state of knowledge that has allowed us to a more effective interpretation of geological information and being pioneers in the discovery of basins making important findings possible, mainly in block Buenavista. Each one of the tasks for the execution of the strategic plan was always accompanied by a careful evaluation of its impact to be carried out in a sustainable manner, in harmony with our business, social and environmental commitment. ♦



Lake Tota, Boyacá, Colombia

Risk Management

OEG, focused on the benefits for communities, the environment, collaborators and especially the sustainability of the generation of energy sources, is increasingly aware of the importance of the role of Risk Management in its processes.

Currently, each of the areas of the organization has adopted the necessary measures within their processes with the sole purpose of mitigating any event that may generate a risk, giving the priority and attention necessary so these events do not materialize.

OEG supports the management of risks mainly on our Integrated Management System (GIS). We consider the

risks that each process may have using all our value chain. At the same time taking into account our continuous improvement cycle, we are in the process of designing and implementing the best practices in terms of risk management and administration advised by a company of global recognition, in order to always have exceptional risk indicators.

In 2013 we achieved an important breakthrough in this area and focused mainly on the management of the following high-impact risks that have been identified:

Financial

- Budget execution:** The execution of the budget is vulnerable due to the nature of our industry, this risk can be materialized through various contingencies; monitoring and early warnings can mitigate the control over this indicator.
- Optimization of working capital:** The opportunity cost of the availability of financial resources is an existing risk; the optimization of cash flows and their precise use in activities that offer the highest return are a constant challenge.
- Indebtedness:** Our tolerance level for the debt risk is low; for this reason, we monitor every day the respective indicators in order to obtain the best structures in line with our operation.

Environment

- Communities:** We consider communities as our own, therefore they are integrated into our activities in the geographic fronts where we have a presence.
- Public order:** Definitely the risk that is most difficult to control, it has a very high impact in all our stakeholders, the management of the same is in the hands of experts.
- Legal certainty:** Due to the dynamics with which the national Government has executed the legal framework of the Hydrocarbon sector, it has been necessary to strengthen our organizational structure in order to address the effects on different fronts caused by changes in the regulations that govern our activities.

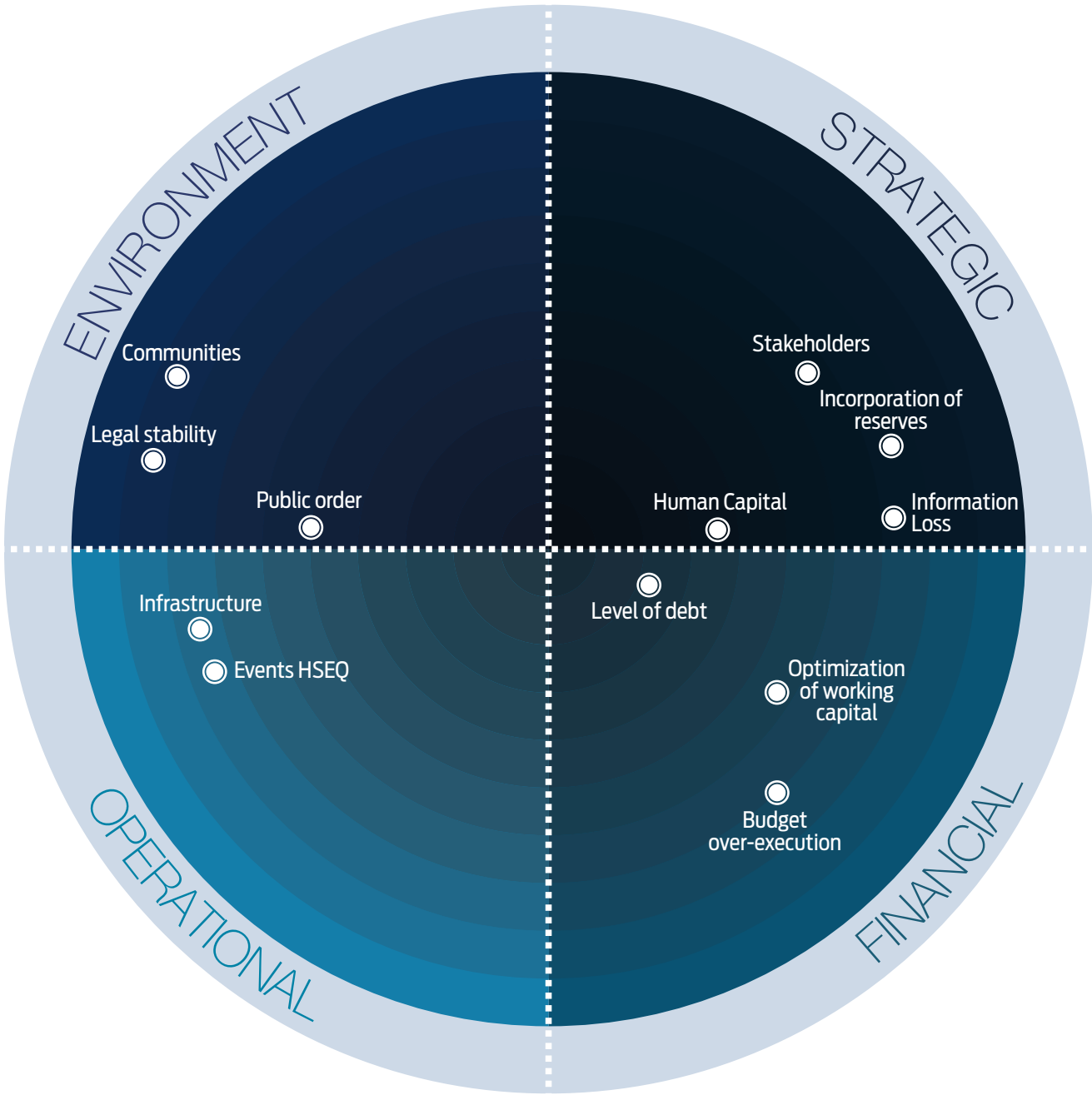
Operational

1. **HSEQ incidents:** The discipline regarding compliance with the standards and processes implemented by our HSEQ department reduces the materialization of risks; as a management strategy we have divided the area into the following specialties: HSE Unit (Health, Safety and Quality) and E Unit (Environment), which is also in charge of the management of communities.
2. **Infrastructure:** We are capable of fulfilling the main objective of extracting our hydrocarbons efficiently, but the absence of an appropriate infrastructure for the management of the same may be a problem of great magnitude that can activate other risks-generating events.

Strategic

1. **Strategic information:** Our greatest asset is the structural geological knowledge of our fields; the custody of this information is a corporate priority.
2. **Human capital:** Our most sensitive resource; we have an interdisciplinary team with expertise in the industry and long experience in the sector, the high know-how that we have could generate a turnover that may materialize the risk of know-how leakages.
3. **Incorporation of reserves:** It represents the sustainability that the exploration and production of hydrocarbons of all energy companies have within their portfolios, for this reason the main core of OEG is to concentrate its efforts on activities that are directly related to the incorporation of reserves.
4. **Relationship with stakeholders:** The management of the relationships with each of our stakeholders can be strategically vital for the sustainability of our core; it is necessary to structure the appropriate organizational team to address the interrelationship with them.

Corporate Risk Map

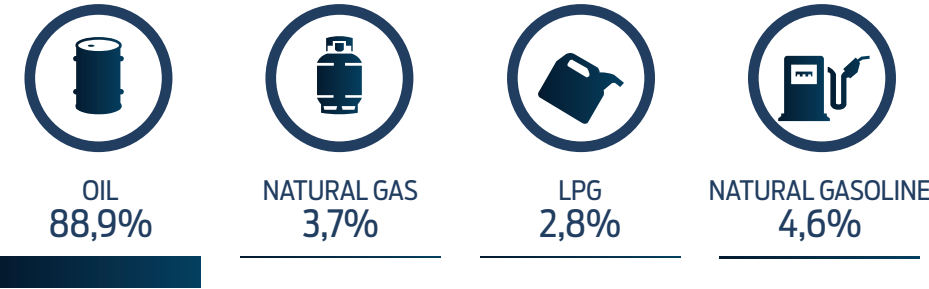


Profile of the Organization

Our Organization

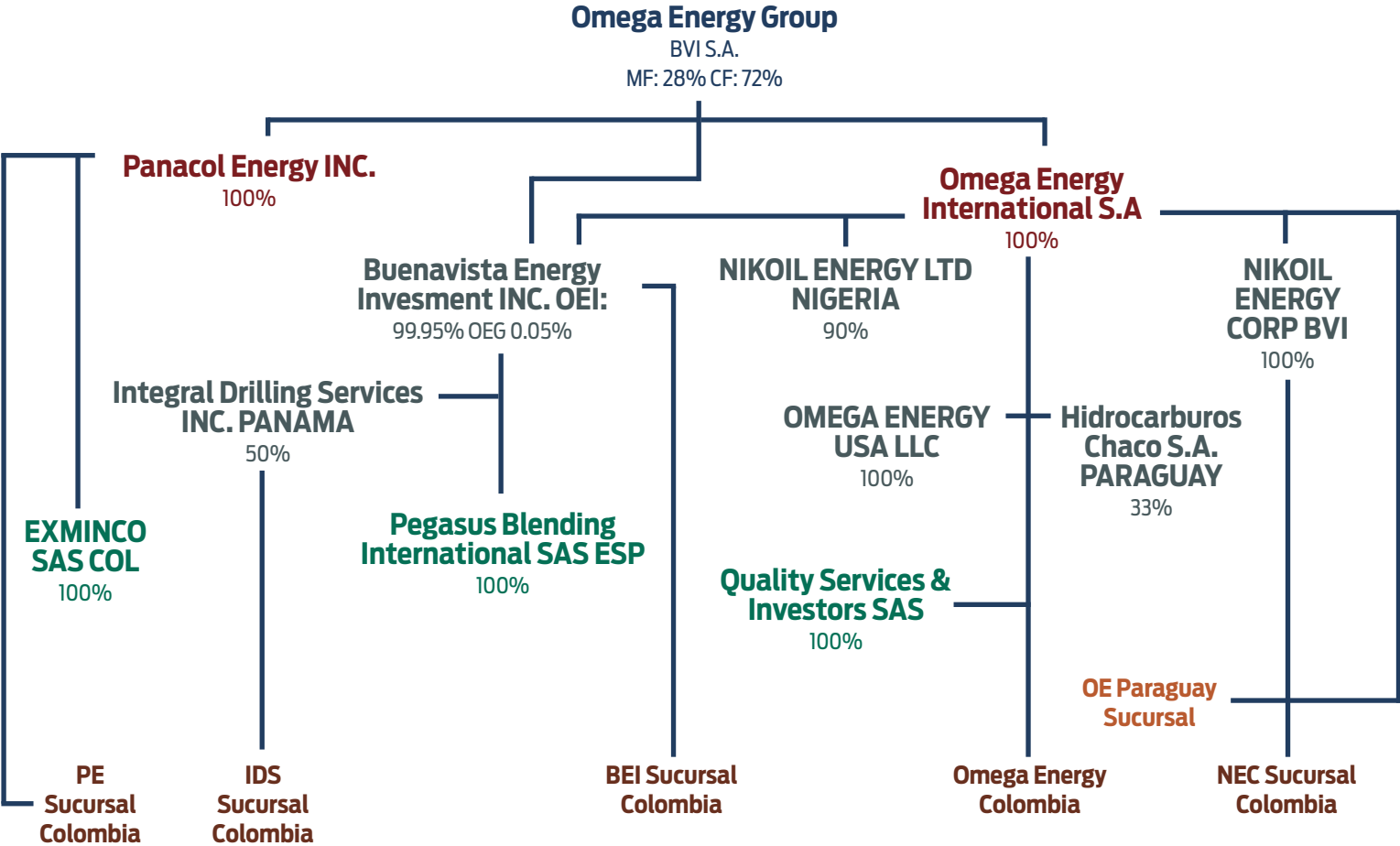
Omega Energy Group BVI S.A. , hereinafter OEG, is a group of companies engaged in the exploration and production of hydrocarbons with over 10 years of presence in the market. Today OEG has 112 employees.

OUR PRODUCTS



OEG is the result of the growth of three companies: Omega Energy International (OEI), Pegasus Blending International (PBI), and Nikoil Energy Corp. (Nikoil). The latter was created from the merger in 2012 between Petroleum Equipment International S.A.S (PEI) and Nikoil Energy Corp. Suc Colombia (formerly Lukoil Overseas Colombia Ltda.). The administrative headquarters of OEG are located in the city of Bogota.

OEG companies began their consolidation process into a business group in 2012, which ended in mid-2013. The new structure of the group is shown below:



- Line 1. Foundations (Owners)
- Line 2. Omega Energy Group BVI (Holding)
- Line 3. Panamanian Parent Companies
- Line 4. Affiliate/Subsidiary Companies (Pan, Nig, BVI, USA and Paraguay)
- Line 5. Affiliate/Subsidiary Colombian Companies
- Line 6. Branches (Colombia and Paraguay)

MANIFESTO

We are a group of Oil & Gas companies that grow through our belief and motivation to generate a positive impact on human beings and the planet, creating shared values with our stakeholders through the discovery, transformation and production of energy.

We will continue to grow and evolve to consolidate in 2024 as a leading corporation in the global energy sector. Supported on our inspired and committed human talent, through innovation and the use and application of technology.

*G4-56

- 1. **Equality:** Zero tolerance to discrimination.
- 2. **Reliability:** Security in the value generated.
- 3. **Inspiration:** Exploration.
- 4. **Transparency:** Access to and reliability of information.
- 5. **Innovation:** Adaptation to evolution.

- 6. **Persistence:** Firmness in our purposes.
- 7. **Respect:** Tolerance and care to human beings and the environment.
- 8. **Responsibility:** Awareness and value of our acts.
- 9. **Excellence:** We decided to be the best.
- 10. **Passion:** Courage

In this report we will inform about the companies of Omega Energy International and their branch office in Colombia, Pegasus Blending International S.A. and Nikoil Energy Corp. Sucursal Colombia, within the framework of the material issues identified for this report. In the development of this report, we will be referring only to these three companies when mentioning Omega Energy Group.

*G4-20

Omega Energy Colombia

Omega Energy Colombia is a Colombian branch of Omega Energy International S.A. a company incorporated under the laws of Panama; engaged in the exploration and exploitation of all kinds of minerals and hydrocarbons. Currently, it is the operator of block Llanos 21, awarded by the National Hydrocarbons Agency and it is member of Union Temporal Omega, which carries out exploration activities at block La Punta operated by VETRA S.A. Omega Energy Colombia hosts most of support activities and centralizes the management of other entities, being widely recognized at national level.

Pegasus Blending International

Pegasus Blending International S.A.S. is a Colombian company, engaged in the processing of condensate gases and the marketing the derivatives thereof, as well as in the production of fuels for industrial use. Based on its experience, it provides services for the construction, assembly and operation of gas processing plants and advice for their design.

Nikoil Energy Corp

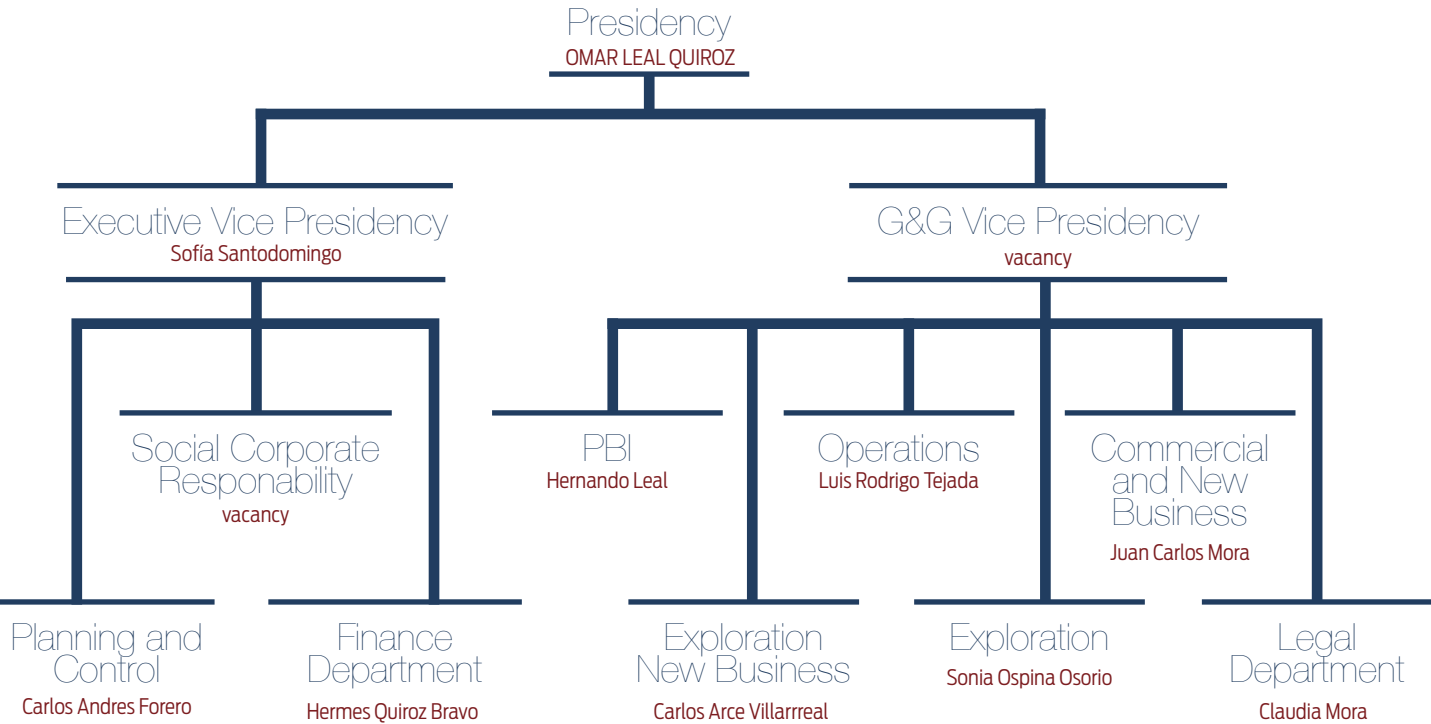
Nikoil Energy Corp. Suc Colombia is a branch office in Colombia of the company Nikoil Energy Corp (formerly LUKOIL OVERSEAS) incorporated in the British Virgin Islands. This company underwent a process of merger by absorption with the company Petroleum Equipment International S.A.S (PEI), which since 1989 was engaged in the provision of oil services and in the exploration and exploitation of hydrocarbons as an active member of Union Temporal Omega Energy - UTOE, operator of block Buenavista.

As a result of the foregoing, Nikoil Energy Corp. Suc Colombia is the operator of block Condor, in conjunction with Ecopetrol and as a member of Union Temporal Omega Energy, operates the block Buenavista through an E&E agreement with the National Hydrocarbons Agency.

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ORGANIZATIONAL CHART

The organizational chart covers the structure that supports the business group



Omega Energy Group (Bogotá)

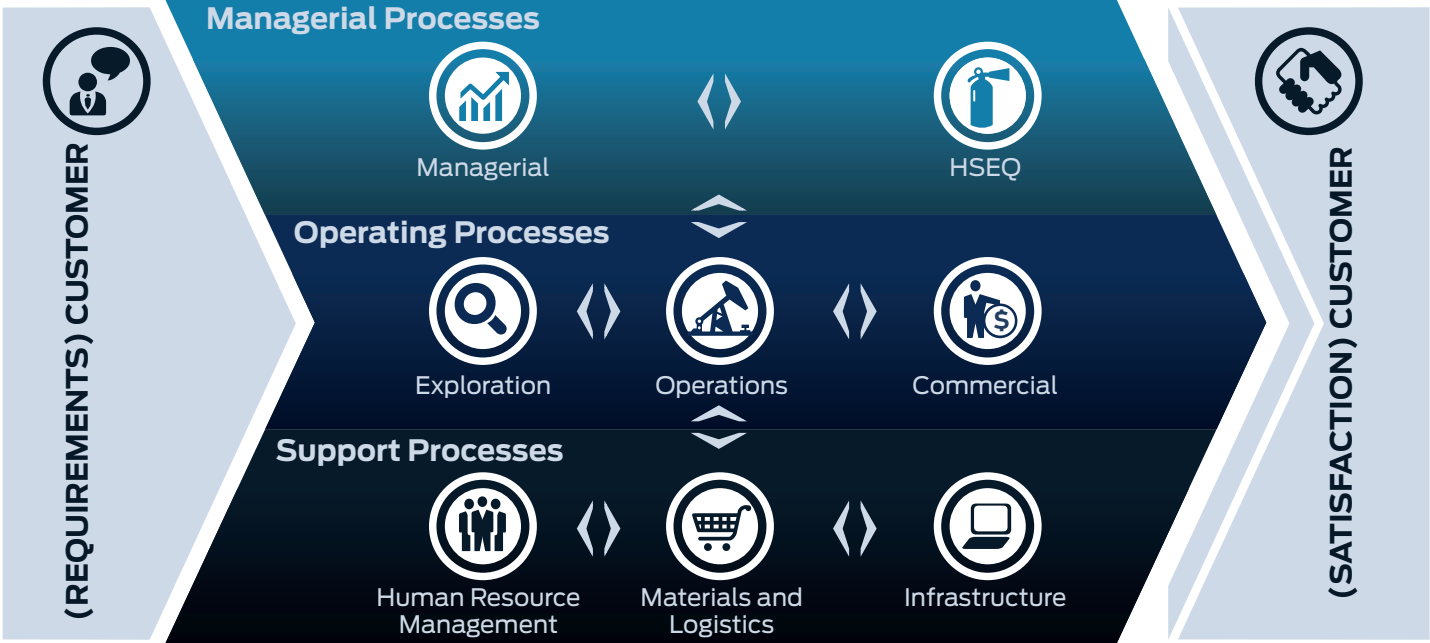


Our Management System

As part of its strategy to become a world-class Organization, in recent years OEG has implemented an Integrated Management System (IMS) in accordance with the requirements of the standards NTC-ISO 9001:2008 “Quality Management Systems,” NTC ISO 14001:2004 “Environmental Management Systems” and NTC OHSAS 18001:2007 “Occupational Health and Safety Management Systems,” and complying with the requirements of national legislation on industrial safety, occupational health, environment and the requirements applicable to the activities developed by the organization.

We were certified by Bureau Veritas in 2008 and recertified for the first time in 2012, thus demonstrating compliance with the organizational standards and requirements set for each of the processes, which maintain compliance with the objectives and goals set out in each of its characterizations.

The processes currently certified that allow ensuring the Organization’s ability to meet the requirements of customers, stakeholders and for continuous improvement are the following:



The objectives and indicators for each of the processes fulfilled the goal with the exception of Safety indicators that were affected by two non-disabling events, which led us to rethink this indicator for 2014.



Process	Objective	Goal	Compliance 2013
Human resource management	Assess the skills of new workers according to the profile selected. (Trial Period).	80%	82%
	Determine the loss of personnel in order to take appropriate actions to retain key staff and replace deficient personnel.	5%	5%
Technology infrastructure	Protect and maintain the information of the company, through the fulfillment of the maintenance schedule for critical equipment.	80%	100%
Hseq	Keep the accident rate at zero (Management).	0 AT	1
	Keep the accident rate at zero (Operations).		1
	Protect the integrity of workers in relation to work-related diseases.	0 EP	100%
	Protect the environment and mitigate impacts caused by the development of activities.	Zero incidents	100%
	Fully comply with the legal requirements established by the Colombian legislation.	Zero penalties	100%
Procurement, materials and logistics	Work with suppliers/contractors or allied companies with high quality standards, ensuring the excellent provision of services.	100%	100%
Commercial	Meet the needs of customers and provide open communication spaces to improve the service.	Zero	100%
Managerial	Maintain the implementation of the Integrated Management System.	Non-conformities zero in follow-up audits	100%

To achieve this structure, the Organization has promoted the idea among employees of being an organization certified under international standards and the senior management reflects its commitment everyday in each one of the policies and intends to achieve a second recertification for 2014. ♦

Our Operations

*G4-6, *G4-8, *G4-9

OEG operates at national and international level, we started operations in Colombia and the growth of the group has allowed venturing into Paraguay, Suriname, United States and Nigeria.



Blocks in Colombia



Block Buenavista

Block Buenavista, operated by Union Temporal Omega Energy (UTOE), is located in the Basin of the Eastern Cordillera and is divided into three areas: Santander, Corrales (which are in exploration and evaluation phase, respectively) and Bolivar, which is in development and production phase. Three wells were drilled during 2011 and five more were drilled in the course of 2012. A stratigraphic well drilling campaign was developed in 2013 to identify and evaluate potential shallow reservoirs. This campaign validated the continuity of shallow heavy oil finds and the great potential for hydrocarbons of the block.

At the same time in year 2013, all 2D and 3D seismic information existing in the block was reprocessed using state of the art technology. The results were very good and improved the image of the subsoil and it was thus possible to define the regional structural model. A regional reinterpretation was carried out and new structures and exploratory opportunities have been identified. The understanding of the structural subsoil model guaranteed success in locating and drilling a well at the end of December 2013, increasing production of field Corrales by 70%. Three wells will be drilled in block Buenavista in 2014.

Operation: 100 % by UTOE

Block La Punta

Block La Punta is located in the basin of the Eastern Llanos and is divided into two areas: development La Punta - in production and development phase - and La Punta Exploratoria - in exploration and evaluation phase. Omega Energy Colombia and Nikoil Energy Corp. are members of Union Temporal Omega (UTO) and are responsible for the exploration delegated in this Block as to Exploratory Volume, under a Collaboration Agreement signed with Vetra. In 2013 two more wells were located which will be drilled in the first half of 2014.

Operation: Vetra/UTO

Distribution of economic rights and obligations: As of December 31, 2013 the range was 1.000.000-3.000.000 barrels

Range, Oil Barrels	Share of ECOPETROL	Share of ASSOCIATE
0 -200.000	10%	90%
200.001 - 500.000	15%	85%
500.001 - 1.000.000	35%	65%
1.000.001 - 3.000.000	40%	60%
> 3.000.000	45%	55%

Block Llanos 21

Block Llanos 21, operated by Omega Energy Colombia, is located in the basin of the Eastern Llanos and is in exploration and evaluation phase. During 2013, 3D seismic information was reinterpreted in search of stratigraphic prospects. Two exploratory wells will be located based on these results.

Operation: 100 % OEC

Block Paloma and Midas

Blocks Paloma and Midas, operated by Union Temporal Petrocaribe, are located in the Middle Magdalena basin and are in development and production phase. Three wells were drilled during 2012 and in 2013 one more was drilled making an important find that produced volumes of 2,500 BOPD (Well Acordeonero 1).

Distribution of economic obligations and rights at La Paloma:

OEI has an interest in the company Rend Lake Corp, which is a member of Union Temporal Paloma, equivalent to 5.01% of the Block.

Block Condor

Block Condor, operated by Nikoil Energy Corp. Suc. Colombia since December of 2012, is located in the foothills of the Eastern Cordillera and has an extension of 159,778 has. Several workovers have been performed in 2013 in the existing wells of the field in order to expand the information of the reservoir, improve the potential of reserves and the prospectivity of Field Medina - Block Condor. Some reservoirs showed potential for hydrocarbons and some of them are currently in production.

At the same time, the reprocessing of the block is being carried out using cutting-edge technology on the existing 2D and 3D seismic information in order to improve the image of the subsoil and identify exploration prospects.

Operation: 100 % Nikoil





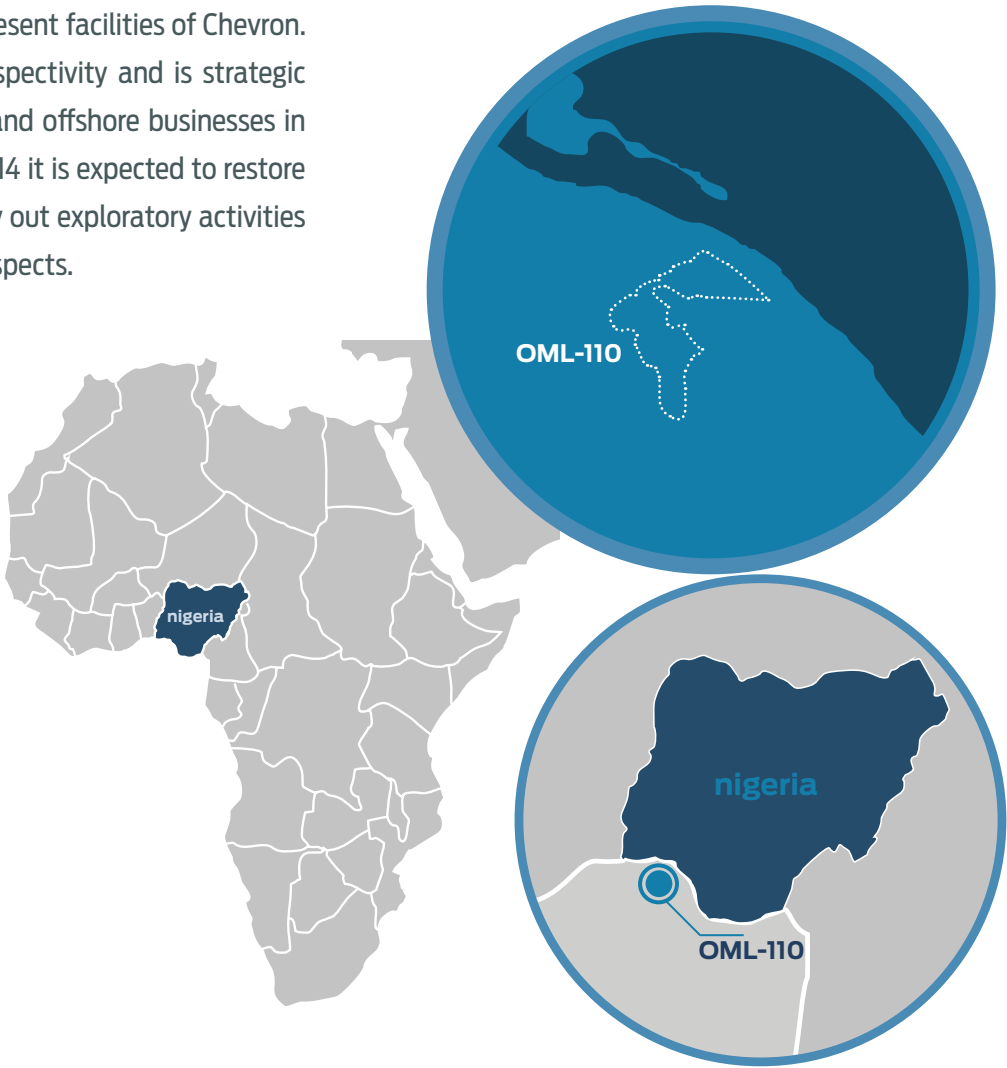
Blocks Abroad

Investment in Nigeria

It is focused on the exploration, production and development of oil fields in block OML 110, located 10 miles off the coast, in the Gulf of West Guinea in Africa. The area of shallow waters, with depths between 55 and 65 feet, is located 10 kilometers from the present facilities of Chevron. Block OML 110 shows high prospectivity and is strategic for entering into new onshore and offshore businesses in Nigeria. During the course of 2014 it is expected to restore production in the area and carry out exploratory activities including the drilling of new prospects.

Block OML 110

Operation: In charge of Cavendish Petroleum (local company), Nikoil acts as technical adviser with an economic share of 40% in the block.



1 Investment in The United States

During 2013 we acquired a group of nine properties located mainly in the parish Jefferson Davis in the State of Louisiana, whose aggregated area amounts to 4,936.9 acres of land, (1,998.74 has). The report prepared by the real estate appraisers of the company The Pauley Corporation in 2012 states that the lands have an agricultural purpose and as such can be planted with sugarcane, fulfilling the premise of “greater and better use” which contemplates the most reasonable, legal, and likely use according to the activities carried out in the neighborhood. It is also mentioned in the report that areas adjacent to roads could eventually hold an interest for real estate projects so it is possible and legally allowed to subdivide the same into small lots for that purpose. OEG is interested in exploiting the grounds of its property for which it is in search of an agricultural operator experienced in the management of sugarcane plantations and carry out sowing-harvesting projects through commercial arrangements.



2 Investment in Paraguay

It is focused on the exploration, production and development of oil fields in Block Hernandarias, with an extension of 1,850,000 hectares and operated by the company Hidrocarburos Chaco, of which Omega Energy Colombia is a shareholder. The block is in exploration phase. Omega Energy opened a branch office in Paraguay in 2012 and in the year 2013 MOPC granted permission to Omega Energy to survey Block Parapiti with an area of 2,296,038 ha; additionally, the memorandum of understanding to acquire rights through the company Quincy of 60% of Block La Patria was signed, also with an extension of approximately 2,400,000 has. Prospection programs were initiated in year 2014, starting with the respective Aeromagnetometry programs.

Block Paraguay Parapiti
Operation: 100 % OEC



3 Investment in Surinam

Omega Energy Colombia as a company of the group OEG BVI S.A., has a presence in Suriname since 2013, in the company of the petroleum state-owned company Suriname Staatsolie, a company that since 2010 develops a project for the production of energy, ethanol and sugar from the processing of sugarcane in the suburb of Wageningen in the District of Nickerie in that country, in which it works together with OEG from 2013.

The consulting firm Booker Tate (BT) was hired for agricultural development, a company resulting from the merger in 1988 of Booker, sugar and food producer, and the renowned Tate & Lyle, marketer of equipment for the production of sugar and food, thus forming a consulting business for the development and administration of agro-industrial projects. In 2004 it was acquired by TSB Sugar Holdings which in turn belongs to the South African investor group Remgro.

In April 2012, BT submits the report titled “Study on the Agricultural Solution” where it laid down guidelines for the development of the agricultural phase of the project, including from the design parameters of the field to the financial projections of the same.

Material Aspects and Coverage

*G4-18, *G4-19, *G4-21

We relied on the analysis of the aspects that are relevant for the development of the operation and strategy, the main aspects related to sustainability of the Oil & Gas sector, the expectations of our stakeholders and the materiality test carried out in 2011 for the preparation of this report and the identification of the key issues to be reported.

Below is shown the materiality analysis matrix prepared for the definition of the material issues of the sustainability report of 2013:

Materiality analysis matrix

Corporate strategy	Sector analysis (oil & gas)	Expectations of stakeholders
Supply chain sustainability. Risk management. Management and mitigation of environmental impacts. Financial performance. Safe production. Global Compact (human rights, fight against corruption, environment; labor practices). High health and safety standards. Renewable energies.	Many of the companies in the sector align their materiality with: The seven fundamental subjects of ISO 26000. Governance of the organization. Human rights. Labor practices. Environment. Fair operation practices. Customers' affairs. Active participation and development of community. In addition, other aspects are observed such as: Preparation and response to emergencies and environmental incidents. Fight against corruption. Transfer of best practices. Integrity in operations. Change in energy flow. Climate change. Accountability. Transparency. Operational excellence. Growth of the sector in the region. Relationships with stakeholders.	Customers: Analysis and improvement plans of customer satisfaction survey. Employees: Policy structure, benefits and training plans; derived from the follow-up of the psychosocial risk survey and performance evaluations. Government: Compliance with the legislation applicable to the organization. Communities: Support for the development of skills and local economics, jobs creation. Investors: Relationship of trust, transparency, sustainable development, profitability, responsible management, risk management and safe operations. Suppliers: Fair contractual conditions, compliance with agreements, transparency, strengthening of capabilities, objective selection of contractors, development of skills, strategic alliances. Society: Accountability, transparency, strengthening of the sector, Human Rights, safe operations, protection of the environment, ethical behavior, reserves, reliable facilities.
Materiality test		
Corporate governance Labor Practices and Human Rights Management and Mitigation of Environmental Impacts Sustainability in the supply chain Responsible relationships with Customers Active Participation and Development of the Community Optimal operational and financial performance		

After the triangulation of the four variables mentioned above and as a result of the elaborate analysis made, we have identified labor practices and human rights, management and mitigation of environmental impacts, sustainability in the supply chain, responsible relationship with customers, active participation and development of the community, optimal operational and financial performance, and high health and safety standards as relevant issues, which are materialized in each of our chapters. The content of the chapters has been developed under the principles suggested by the Global Reporting Initiative for the elaboration of sustainability reports, and forms the basis of the report once material issues have been defined.

In order to have a better performance in connection with the materiality principle, the company has generated improvement initiatives, which include the materiality identification process; this process will allow the organization to mature on sustainability issues and at the same time to strengthen the involvement of stakeholders. The company has developed a process to identify materiality, including the analysis of the variables shown above as well as risk analysis based on a materiality test conducted in 2011 by an external consulting firm.

In order to strengthen this principle, in 2014 the company will develop an instructional support document for the definition of materiality that will be linked to the Integral Management System; the instructions will be based on the document “From Transparency to Performance” and is intended to establish a tool that allows identifying issues relevant to the organization in the framework of its commitment to sustainability. The deployment of these instructions will allow us validating our stakeholders and recognize their expectations, identify risks and opportunities for the Oil & Gas sector and articulate the corporate strategy.

Verification *G4-33

For this report, the Presidency, Executive Vice Presidency and the Organization in general decided to carry out a verification process of the report with regard to the new requirements of version G4 through an auditing body that validates the truthfulness of the information submitted by us, being consistent with the principles of quality and contents established by the Global Reporting Initiative for the elaboration of sustainability reports.

The decision to verify the report seeks to strengthen the credibility of the information to stakeholders and to those to whom this report is addressed, it also seeks the improvement of the company’s information systems, to strengthen the control environment that must support any commitment to sustainability and the consistency and traceability of the information and data to be submitted.

It is possible to consult the verification letter of the report on page 138.

Participation of Stakeholders

*G4-25

The definition of our stakeholders began in 2011 through the development of management workshops in which different stakeholders of companies in the sector were taken as reference. The exercise for their definition was carried out under the advice of the consultants who supported our two first sustainability reports taking into account the significant impacts generated by the company on each group.

For this report, we reevaluated the stakeholders defined two years ago, subsequent to the analysis of the impacts generated and bearing in mind the fundamental performance represented by the inclusion of new groups in the success of OEG, we have identified two additional stakeholders: Suppliers and Customers.

Stakeholders *G4-24, *G4-26, *G4-27



The Organization promotes the participation of stakeholders as a natural part of the development of operations; nevertheless, the implementation of the materiality process designed will allow strengthening the mechanisms and expanding the scope of participation while considering the sustainability context. This report will include a socialization process that will allow stakeholders to participate and in turn identify opportunities for improvement.

Our participation mechanisms have demonstrated key issues in stakeholders that must be dealt with; some of these mechanisms are contribution cards, the occupational health committee, coexistence committee, welfare Committee, Ominoticias, customer and supplier satisfaction surveys, evaluations to suppliers, meetings with communities, socializations and community office. As a result of the active participation of some players we showed key improvements in 2013 that translated into positive results for the company, we will change our headquarters in 2014 in response to the growth of OEG and due to the participation of collaborators who expressed the need for improve-

ments in the areas of the company, with the aim of having appropriate spaces for archiving documents and improve physical work conditions. *SO1

Contractual relations with some of our customers in the commercial sector were formalized, which translates into a transparent business management to the area, strengthening trust and guaranteeing the fulfillment of commitments, even allowing to generate strategic alliances for the development of new business models; agreements on social investment and salary matters were reached, and issues related to the acquisition of goods and services as well as the recruitment of local workforce were defined.

While in OEG relationship mechanisms have had a considerable step forward, we have evidenced opportunities for improvement in the course of operations; with the deployment of the materiality process to be implemented, we will be able to strengthen and generate new and more efficient mechanisms.

Commitments of Stakeholders

The commitment of OEG to stakeholders is defined within the framework of the Social Responsibility Policy. By 2014 we expect to successfully fulfill every commitment and materialize such fulfillment with each player due to the strengthening of communication mechanisms.

1. Relationships with the Community

Carry out projects that benefit communities where operations are developed, satisfying their social interests, generating jobs and revenues through indirect social investments and support to the local management, contributing to the improvement of the quality of life of these communities without replacing the State's obligations.

2. Relationships with Suppliers

Promote the mutual benefit in the contractual relationship, foster sustainable development and best practices among suppliers and contractors for goods and services, while respecting the commitments acquired and requiring them to apply effective Social Responsibility practices in the activities or agreements performed for OEG.

3. Guidelines for Employees

Establish and design strategies to promote the personal, professional and labor development of employees, framed in pleasant and productive work environments.

4. Relationships with the Government

Articulate inter-institutional actions that allow generating a positive impact on public entities with a view to institutional strengthening and economic and social development.

5. Relationships with Customers

Pursue customer satisfaction as a constant and dynamic goal, through the better understanding of their needs and how to address them.

In 2014 we will define our commitments to investors.

Profile of the Report

This is our third sustainability report where we inform of the operations carried out during the year 2013; it was developed under the guidelines of the Global Reporting Initiative version G4 with the essential option “compliant” and the Oil & Gas sector supplement, maintaining the commitment to submit the report annually. Although this is not our first corporate report, it is the first report prepared internally; the report was prepared from start to finish by personnel of the company, each of the areas are involved in it as shown by our commitment to sustainability issues.

All levels of the company participated in the preparation of this report. The Executive Vice Presidency assumed the leadership of this process being capable of committing all levels of the organization with the development of the report and integrating an interdisciplinary team for the coordination of the same, including the areas of occupational health and industrial safety, commercial and business development area and the special sustainable investment team known as “Salva.” Additionally, the areas of Human Resources, Finance, Planning, Geology, Operations and Legal also participated therein, providing complete coverage at corporate level.

***G4-28, *G4-30, *G4-32**

The development of our report has enabled us to have significant growth in terms of Sustainability; the creation of the interdisciplinary team for the building process of the report allowed us demonstrating the opportunities for improvement for our Integrated Management System, hence creating interaction between departments in the company. Likewise, we were able to generate relevant internal mechanisms for the identification of our stakeholders and the development of the relationships between them and the company; this report reflects the culture of our organization.

Governance ***G4-34**

In order to contribute to the achievement of the targets proposed, OEG has bylaws and a governance structure in place that frame the way in which it manages and directs the company. Therefore we have the General Shareholders’ Assembly and the Board of Directors.

Governance Structure

General Shareholders’ Assembly:

It is the highest corporate body of the Organization, which has full powers to direct and decide issues of greater importance for the company. It is composed of the total number of shareholders registered in the Share Register, who participate by themselves or are represented by their attorneys-in-fact or legal representatives, as defined in the bylaws of the company and the law.

It may decide on economic, environmental, social matters, etc. and meets once or twice a year.

Board of Directors:

It is the collegial body responsible for defining the main policies and strategies of the Organization; as well as supervising and controlling the development of the corporate purpose of the entity. It serves as liaison between the company and its shareholders, and must ensure equitable treatment for all stakeholders, the quality of financial and non-financial information, the verification of corporate governance requirements demanded by the law or those voluntarily adopted by the company.

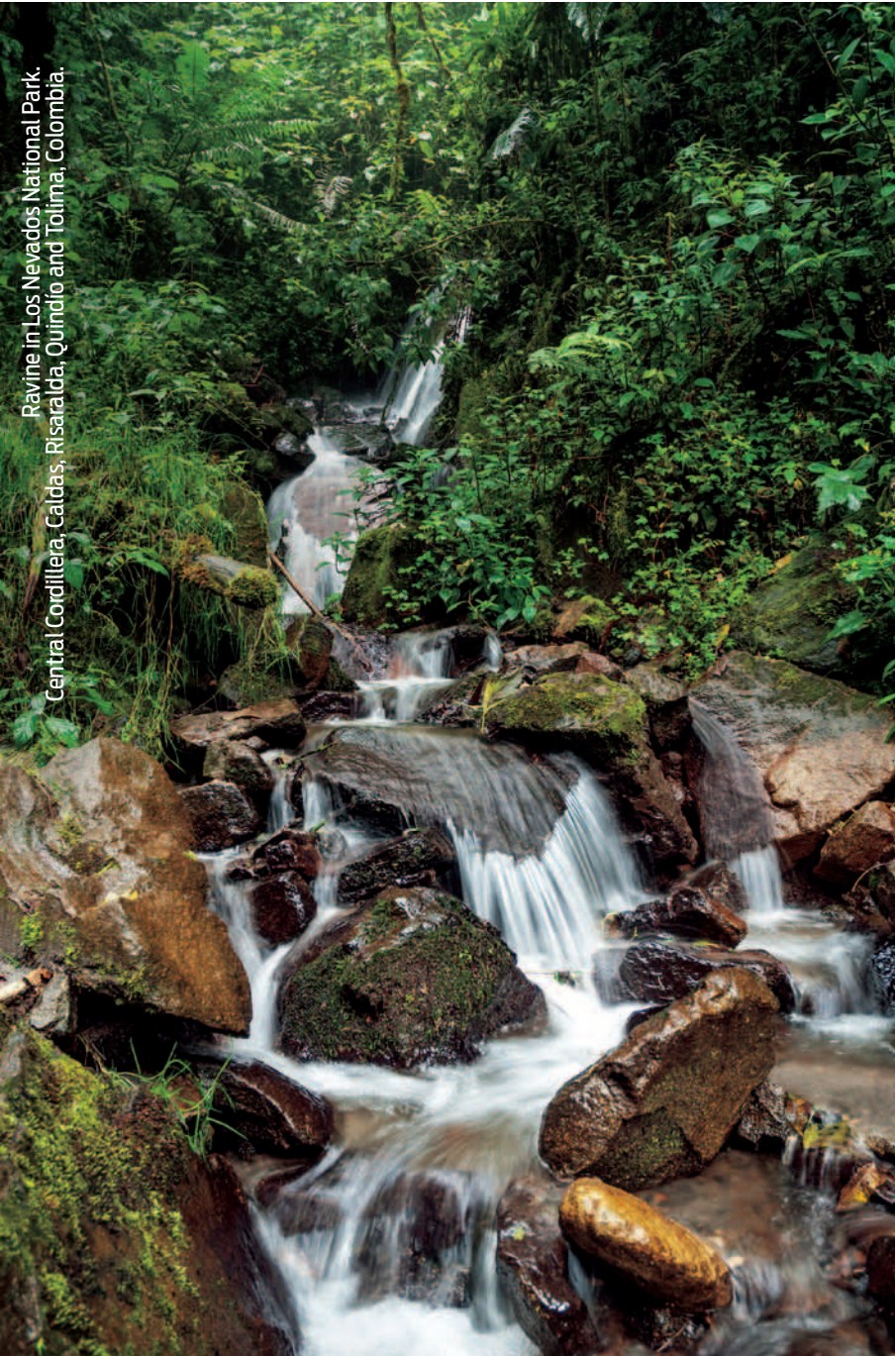
Our Board of Directors generates the corporate strategy, controls the performance thereof and defines the strategy and policies concerning the internal control system, establishes mechanisms for the evaluation of administrators' efforts, ensures the operation of the internal control system, and promotes and always protects the rights of shareholders.

This body decides on economic, financial, environmental and social matters, for which meetings are held four times a year or as required pursuant to a high-impact decision for the company or its stakeholders.

In 2014 OEG will consider the creation of committees from the Board of Directors to support decisions related to strategic affairs of the group and will also design Corporate Governance of and Ethics and Conduct Codes.

***G4-56**

The governance structure of the company is supported on the Management committee, comprised of managers from all areas of the company, which serve to assess, manage, decide and report on the most relevant topics and translate the guidelines from the highest governing body into results.



Pavine in Los Nevados National Park.
Central Cordillera, Caldas, Risaralda, Quindío and Tolima, Colombia.

Policies, roles and responsibilities

OEG has established a set of policies and guidelines that are used to regulate the activities and processes necessary for the development of operations. Policies demonstrate not only our growth, but also the ambition that we have to continue with our development, led by the motivation to give our stakeholders a more attractive and competent company.

COMPREHENSIVE HSEQ POLICY:

With it, the company undertakes to prevent the contamination of the environment, prevent injuries, occupational diseases and property damages, by effectively managing the resources necessary for the achievement of the commitments of the Integrated Management System, working with competent human resources and improve continuously.

SOCIAL RESPONSIBILITY POLICY:

Omega Energy Group assumes Social Responsibility as a voluntary commitment that is associated with the application of the best business practices, the promotion of ethical behavior, respect for the environment, harmony in internal relations, the improvement of the quality of life of its employees and the communities in the area of operations, and respect for the basic rights of persons.

POLICY FOR THE PREVENTION OF ALCOHOL, DRUGS, TOBACCO AND OTHER PSYCHOACTIVE SUBSTANCES (SPA):

It is our commitment to preserve, protect and improve the health of our collaborators individually and collectively, maintaining optimal safety levels at all related workplaces

and vehicles used by workers in the conduct of their tasks, through these activities:

- Dissemination of the harmful effects and the consequences of alcohol, tobacco, and psychoactive substances in the health, family, labor and social environment of the person.
- Prohibition for collaborators who work under the effects of alcohol, who consume, encourage the consumption or work under the influence of psychoactive substances, structuring a regime of drastic sanctions and monitoring for those who fail to comply with the same.
- Stimulation of participation in treatment programs for collaborators affected by alcoholism, smoking or psychoactive substances.

The General Management allocates the resources necessary for the fulfillment of this policy, which is applicable to all OEG collaborators, its suppliers and visitors. Contractors and subcontractors working within the facilities or on behalf of the same are also required to comply with it.

WORKPLACE HARASSMENT PREVENTION POLICY:
***G4-LA16**

The organization is committed to the prevention of conducts that may constitute workplace harassment, with the consolidation of prevention mechanisms such as the Workplace Coexistence Committee, which establishes activities to raise the collective awareness on healthy coexistence to promote work under decent and fair conditions; the harmony between those who share a working life and an appropriate atmosphere in the company and the protection of the privacy, honor, mental health and freedom of the people at work.

CONFLICT OF INTEREST POLICY:

Its purpose is that each employee adheres to a strict ethics and loyalty standard, so that the interests of the company always prevail over personal or third-party interests in the performance of their position or profession, achieving maximum transparency in the operations that may be carried out between the company, its workers and external persons.

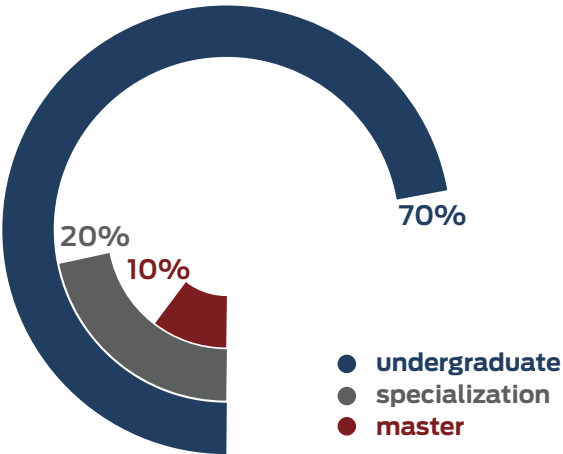
POLICY FOR THE PROCUREMENT OF GOODS AND SERVICES:

Taking into consideration that purchases represent one of the main components of the administrative system, financial management system and its importance for the sustainable development of communities directly influenced and supported on our Social Responsibility Policy, any acquisition of goods and/or services must be based on:

- Principles of transparency, impartiality and equal opportunities aimed at the communities in our area of influence.
- Full compliance with the Ethical Guidelines and Principles governing the company.
- Compliance with the procedures and requirements established for the materials and logistics area and approved by our integral management system (IMS).

POLICY FOR THE PROMOTION OF HIGHER EDUCATION:
***G4-LA10**

Its objective is to give OEG workers economic incentives that promote their professional growth. This initiative was socialized and disseminated again during 2013, which generated a positive response; during this year the Organization supported 10 collaborators in their undergraduate, postgraduate and master's degree studies.



LENDING POLICY:

Its purpose is to contribute to the improvement of the quality of life of our employees and their families, through credit lines intended for housing purchase and improvement, tuition for the worker and his family, payment of medical treatments not covered by the Mandatory Health Plan (POS) and situations grouped under the heading of domestic calamity.

This policy was designed, developed and approved this year and is to be implemented in 2014.

POLICY ON PERSONAL PROTECTION ELEMENTS:

For the Organization, the safety of its workers comes first; that is why this policy implements appropriate controls to minimize work-related accidents and occupational diseases in its workers; involves them in the correct use and maintaining personal protection equipment in good condition in accordance with the instructions received, reporting immediately to the person in charge any supply,

maintenance, loss, deterioration, expiration or malfunction of the same.

ROAD SAFETY POLICY:

Our commitment as a business group is to maintain the integral safety of our collaborators and third parties related to our activities. Promoting the prevention and minimization of traffic accidents establishes guidelines aimed at road prevention, in order to control and mitigate the risks associated with the transportation conditions of heavy loads, light loads, staff, crude oil, equipment and the routes that will be used during the performance of operations, prioritizing their control and continuous improvement.

Our governance model is based on the determination of the roles and responsibilities of our collaborators, in order to facilitate the order, clarity and empowerment as well as the authority levels that associated with the positions and the processes and procedures of our IMS.

Internal control

The company gradually strengthens the control environment for which it not only relies on the statutory auditor but also on the development of internal audits, control skills in employees, identification and assessment of risk and the monitoring of the IMS. In order to carry out an audit process in 2014, OEG was advised by PWC to identify opportunities for improvement in different areas of the Organization, allowing closing the gaps found in the diagnosis.



RELEVANT
issues



Labor Practices and
Human Rights

Relevant Issues

Labor Practices and Human Rights

Because of the achievements obtained during the previous year, 2013 allowed us to project the growth of the company through the creation, consolidation and integration of business areas, the recruitment of competent human talent and the continuation of action plans that generate added value to the growth of the Organization and its employees.

While it is true that in 2012 we presented the figures without considering the gender variable, for 2013 and subsequent years we will include it; taking advantage of the maturity of the information system developed by us, in our following GRI reports we will have the opportunity to develop this and other comparatives comprehensively.

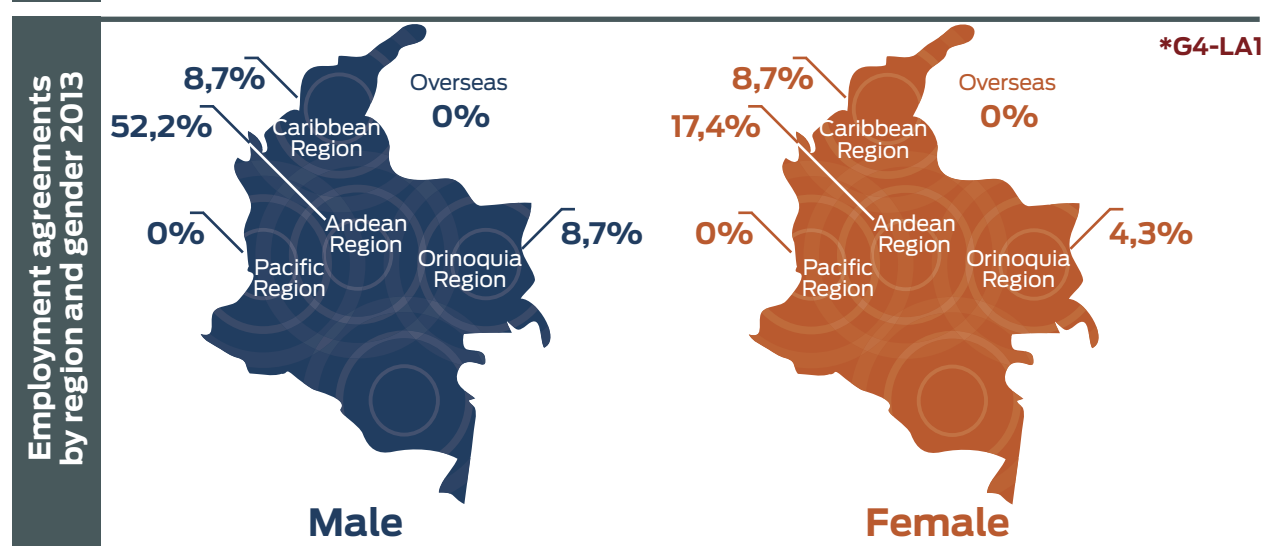
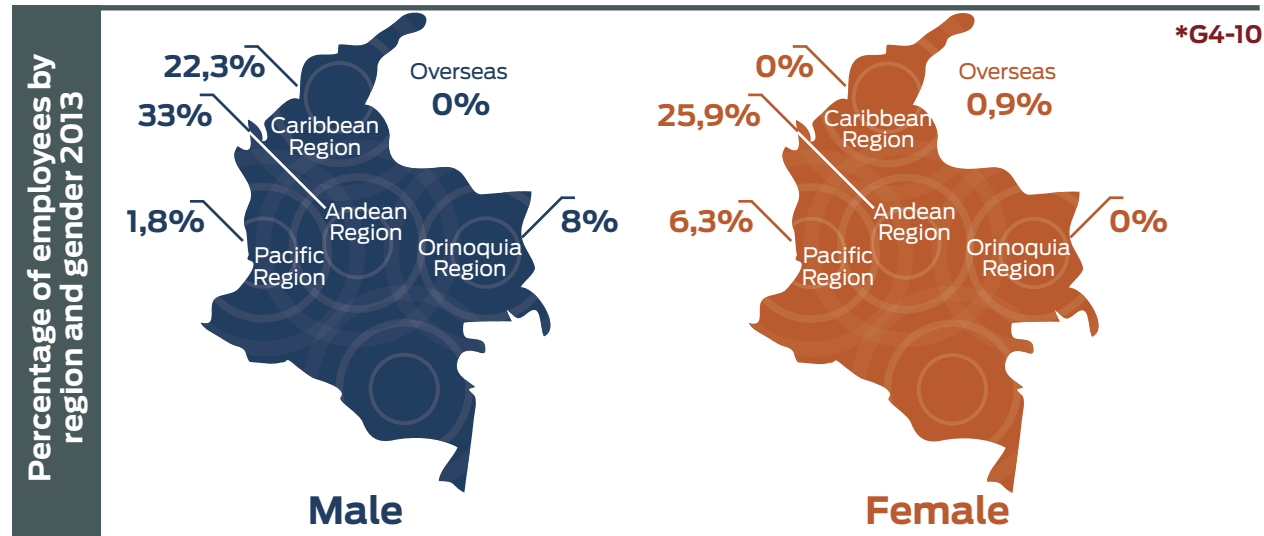
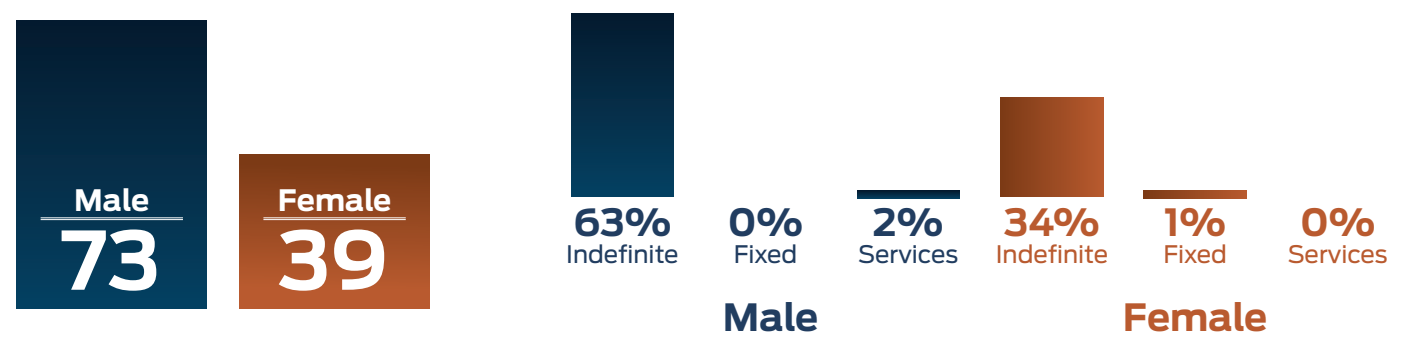
Selection

In Grupo Omega Energy we seek to attract the best talent in the industry to meet the demands of the Organization, through the continuous improvement of our internal processes and the integration of our needs with the development of strategic partnerships that allow us attracting the best profiles, optimizing response times.

This is how we were able to establish alliances with headhunter firms, to redefine selection agreements that conformed to the needs of the current year with our suppliers and implement new selection teams that support us with inputs to our decision-making process.

Cravo River, Casanare, Colombia

Total number of employees *G4-9 Distribution of employees by type of agreement and gender *G4-10



Operations



Legal Department



Planning and Control

Commercial and new business/ HSEQ/ Procrurement



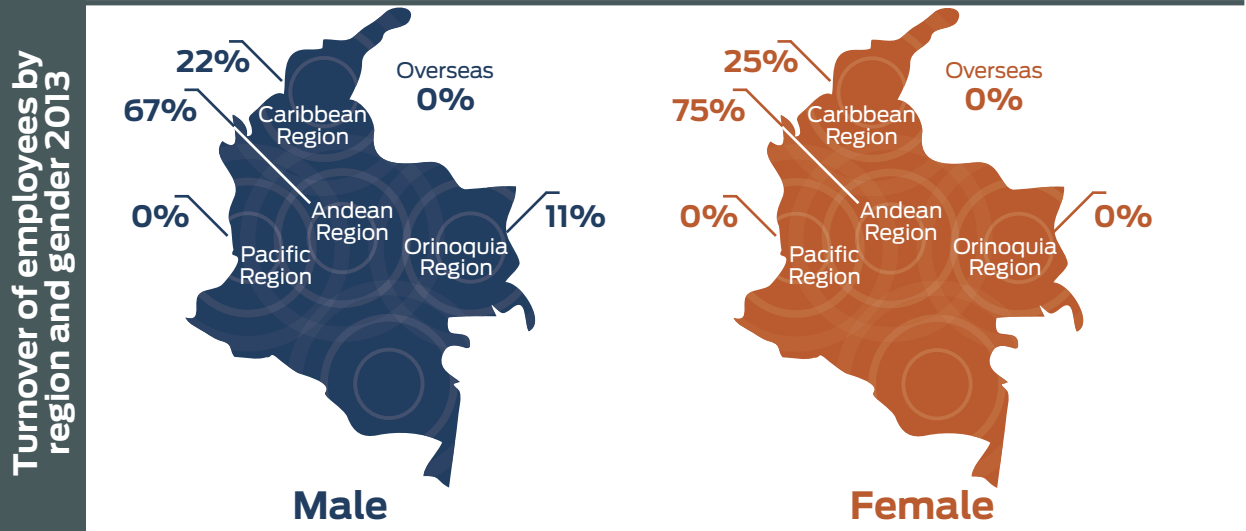
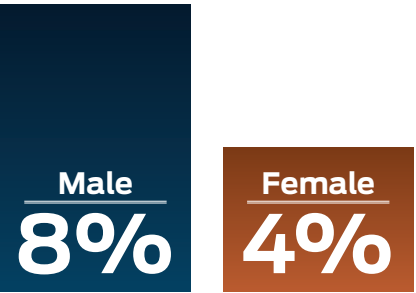
Exploration

Salva

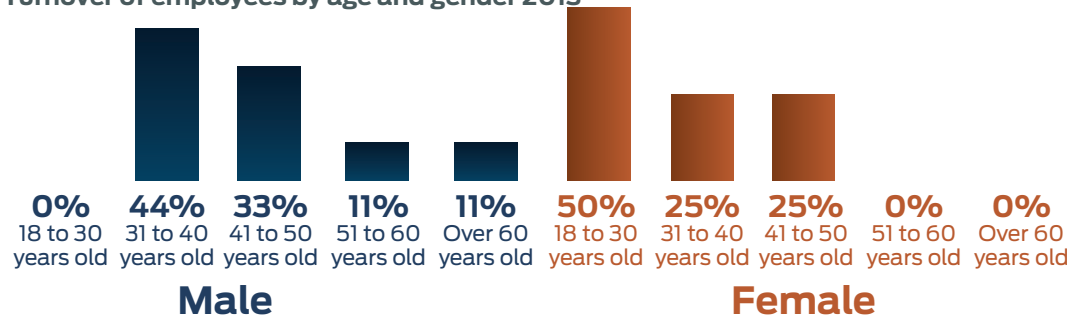


PB11

Turnover of employees by gender 2013

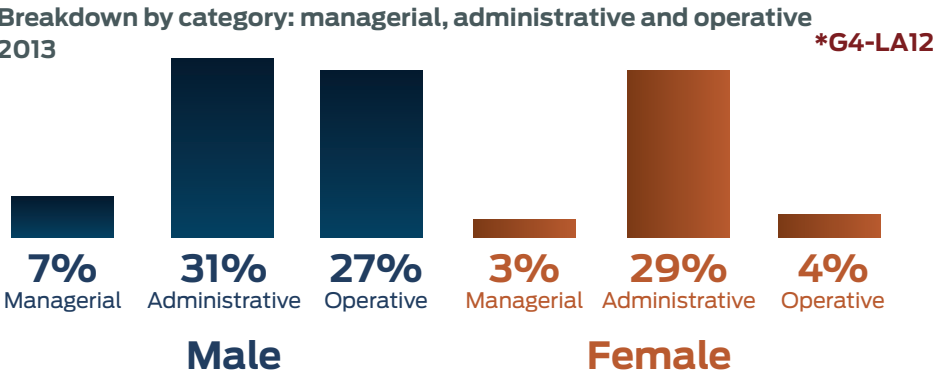


Turnover of employees by age and gender 2013



Our human talent grew 20% during 2013 and new challenges are thus born.

OEG protects and respects human rights, guided by the principles expressed in the Universal Declaration of Human Rights and the conventions of the International Labor Organization (ILO). Our internal working regulations guarantee zero tolerance towards discrimination and harassment.



Promedio de salarios *G4-LA13

2013 USD		
	Male	Female
Managerial	\$10.861	\$12.198
Administrative	\$2.408	\$2.336
Operative	\$1.231	\$589

PTo support these guidelines the company also it has a Coexistence Committee that was created this year, made up of the representatives of Omega Energy and its employees, which meets quarterly and is available to receive and process requests, complaints and claims, with the goal of preventing workplace harassment behaviors under the Colombian legislation. *G4-53

This year a case was submitted to the Coexistence Committee, which was solved to the satisfaction of the parties involved. Likewise, various trainings on the matter were offered not only to its members but also to employees. By 2014 we will strengthen the dissemination of the regulations of the committee and the coexistence manual. *G4-LA16

In 2014 we will focus much more in the design, development and implementation of a program aimed at the fulfillment, protection and respect for human rights, within the reference framework of sources of universal recognition, and OEG's internal commitment to ensure the zero tolerance towards discrimination, inequality and workplace harassment, ensuring a safe workplace and an organizational culture directed to ethical behavior.

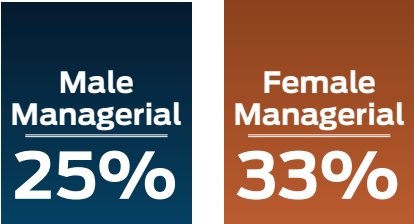
Training

OEG has a training program under construction, aimed to enhancing the technical and behavioral skills of all collaborators. During 2013, the company implemented the annual training budget and invested the following in the development of our talents:



Total managerial personnel trained 2013 *G4-LA9

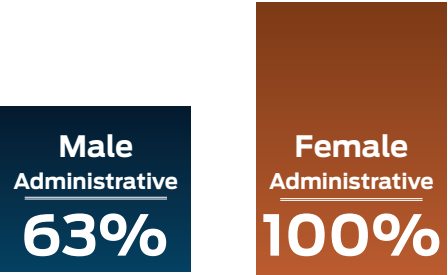
We've invested \$ 98,129 USD on the development of our human talent.



Training topics at managerial level 2013 *G4-LA9, *G4-HR2

Tema	Total Hours
Petroleum engineering for non-petroleum-engineers advanced level	18
Omega Energy bilingual	96
Assertive communication	1
Law 1010 workplace harassment and coexistence committee	1,5
Training of comprehensive internal auditors	24
Work-related accidents and investigation	3

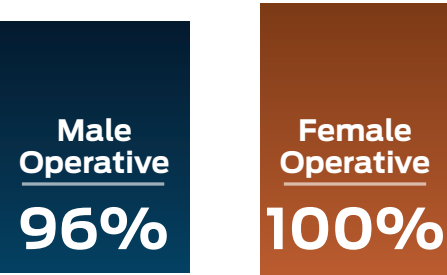
Total administrative personnel trained 2013



Training topics at administrative level 2013

Topic	Total Hours
Payroll planning	8
Tax update	8
Petroleum engineering for non-petroleum-engineers basic level	18
Petroleum engineering for non-petroleum-engineers advanced level	18
Acidification basic-intermediate level	32
Role of brigade members	2
First aid	2
Law 1010 and coexistence committee	1,5
Assertive communication	1
Cardiopulmonary resuscitation	2
Comprehensive waste management	1,5
Methodology of the 5 S	1
Accident report, duties and rights	1
Cardiopulmonary resuscitation	4
First aid	4
Workplace ergonomics	4
SAP training module PS, MM	50
Segmentation seminar	8

Total operative personnel trained 2013



Training topics at operative level 2013

Topic	Total Hours
Oil production diploma course	159
Hazardous substances, classification and properties	2
Safe work at heights retraining	5
Assertive communication	2
Safe driving	7
Defensive driving	7
Multi-parameter equipment management training	2
Safe handling of chemical products	1
Self-care	2
Comprehensive waste management	2
Risks of physical inactivity	2
Handling of chemical substances	2
Handling of compressor and bottle filling	2
Work-related accident investigation report	2
Occupational health update	2
Training of comprehensive internal auditors	24
Duties and rights ARP	2
Workplace ergonomics	2
Basic first aid	3
Rig pass	16
Safe work at heights advanced	30
Leadership and social relations workshop	2

The HSEQ area invested 240 hours training direct personnel, contractors, personnel from temporary service companies and security personnel on various topics, including Law 1010 and coexistence committee, assertive communication, classification of hazardous substances, defensive driving, leadership and social relations, safe work at heights, first aid, workplace ergonomics, handling of chemical substances, reporting and investigation of work-related accidents and incidents, handling of compressor and bottle filling and risk of physical inactivity, among others.

Training of Internal Auditors

In order to strengthen our Integral Management System, the company carried out the first course of Comprehensive Internal Auditors together with SGS Colombia S.A., on the standards ISO 9001, 14001 and OHSAS 18001, were collaborators from different areas and positions were called. This course lasted for 32 hours, it was instructed in the month of November 2013, during four days. OEG has eight comprehensive internal auditors.

Omega Energy Bilingual

***G4-LA10**

With our Omega Energy Bilingual Spanish-English program we intend our administrative employees to become proficient in a second language, regardless of the position and role performed in the company.

As a result of this 60% of our administrative collaborators (38 collaborators) participated in this program, completing a level of 96 hours. The arrangements were made with International House, leaders and specialists in the international arena of language teaching with native teachers. Learning sessions were developed in the company during working hours to facilitate the participation of stakeholders and Omega Energy assumed 100% of the value of the course.

Remuneration

During 2013 we continued with the project for the standardization of job descriptions, an important input to the compensation model; similarly, we participated in the salary survey that gives us a benchmark to work in our remuneration model, bringing increasingly us closer to our goal: consolidate our compensation model.



Thermal pools in Santa Rosa de Cabal, Risaralda, Colombia.

Well-being

Celebrations

We launched the creation and implementation of the Welfare budget and continued with the institutional welfare program, celebrating representative dates such as birthdays, Women's Day, Men's Day, Mother's Day, Father's Day, Valentine's Day and the Children' Day, as well as the year-end holidays for collaborators and children.

Our investment in institutional wellbeing during 2013 was \$94,163 USD.

Medical Care

During 2013 we covered 99% of our direct employees, i.e. 110 collaborators with prepaid medical assistance with one of the best plans in the market, the coverage of which offers first-hand access to health professionals in different areas and services in best hospitals in the country and the peace of mind of having medical support in any eventuality.

Disabilities

Omega Energy recognizes 100% of the disabilities to our collaborators, who are the engine of the organization. Thus contributing not only to physical but also to economic wellbeing in the medical recovery process of employees.

Professional Growth

Committed to the professional development of our collaborators and in order to promote their growth, Omega Energy grants an early leave in the workday to undergraduate and postgraduate students during the development of each academic cycle.

Quality of Life

In search for the balance between the professional and personal life of our collaborators, we also develop other activities aimed at contributing to the wellbeing of everyone.

- We bolster the use of loans to employees through agreements with Caja Cooperativa Petrolera and family compensation funds in each one of the regions.
- We enabled a credit line for 15 collaborators and granted 13 credits with a value of \$39,056 USD through Colsubsidio family compensation fund.
- We carried out activities to promote sport and healthy enjoyment, such as our participation in the Olympic Games of Acipet and the organization of the first soccer championship in Block Buenavista.
- Our participation in Acipet focused on bowling, basketball, volleyball and soccer. OEG supported its 30 participating athletes

with the payment of the registration fee, the delivery of uniforms depending on the sport and an award for their participation and representation.

- For the soccer championship in Block Buena-vista our 14 collaborators shared the field with eight teams integrated by the community and suppliers, as well as shared memorable moments with the fans of the town. They received all OEG's support for its organization, refereeing and sponsorship in the award and allocation of the uniforms for all participating teams. As a result we obtained a well-deserved first place, with a pleasant and proud representation.
- OEG Energy supported the education of the children of our collaborators in the gas plant that completed their daytime kindergarten, basic primary, basic secondary



Human Resources

and undergraduate studies, through a bonus for the purchase of school supplies. We achieved an investment of \$803 USD.

- Every morning our collaborators receive a snack at their workplace that seeks to provide energy for the development of their daily activities.
- Friday massages free of charge are programmed for employees, in order to contribute to the physical wellbeing of stakeholders.
- We hold the health week for one week a year, in which all collaborators are invited to participate in lectures, workshops, recreational activities, medical examinations, vaccination and advice on nutrition, among others.



Finance Department



HSE, Executive Vice presidency, Exploration and Planning and Control

Our Challenges for 2014

1. Redesign, plan and rethink the human resources management process, in order to improve, integrate and standardize it according to the results of the business, clarifying its processes and impacts, to provide a better service while being recognized more and more by a comprehensive management role within the company.
2. Design, develop and implement a program to integrate the concepts of human rights.
3. Implement the lending policy.

Relevant Issues

Management and Mitigation of Environmental Impacts *G4-14

Omega Energy Colombia is certified in the standard ISO 14001 since 2008. This system that was recertified in 2011 allows us to ensure the fulfillment of our commitment to the environment in the context of our operation.

Through this management system, we identify environmental aspects and impacts associated with our activities in order to mitigate and compensate these impacts through the development of plans, programs and projects reported through environmental compliance reports to the competent authorities.

In 2013 we elaborated the Environmental Management Plan for the Project Corrales 5, which was submitted to the relevant environmental authorities for follow-up.

Below are the results of our environmental performance during 2013 in Blocks Buenavista, Condor and Llanos 21.

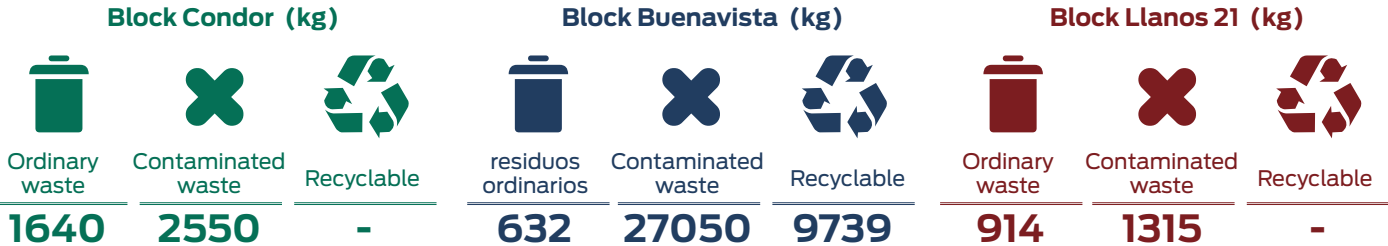
Inírida River, Payara torrent. Guainía, Colombia.

Waste Management

Since 2008 Omega Energy Colombia has an Integral Waste Program attached to the Integrated Management System, which is intended for the handling and disposal of the waste generated by the operation in field and at the offices.

The following information corresponds to the amount of waste generated in Blocks Buenavista, Condor and Llanos 21, which are managed by third parties authorized for this purpose.

*G4-EN23



Waste Management

*G4-EN23, *G4-EN25

In 2013 a total of 30,915 Kg of contaminated solid waste were generated (waste generated by the operation such as contaminated tows, filters and EPPs) at the production stage and were transported and treated by the companies SERPET and ALBEDO, 3,186 Kg of ordinary waste, (waste generated by daily activities such as food waste, food wrappers) were handed over to third parties who are licensed to dispose of the same in sanitary landfills and 9,739 Kg of recyclable materials (paper and cardboard).

Waste management in block Buenavista (kg)



¹ It refers to waste generated by the operation such as tows, filters and gloves.

As shown in graph 2, ordinary waste decreased by 80% while contaminated waste dropped by 54% versus the waste generated in 2012. Furthermore, recyclable materials increased in 98%.

The comparability of the data of blocks Condor and Llanos 21 with respect to 2012 cannot be established since operations begun in 2013.

Drilling cuttings corresponding to special waste are generated while drilling. The treatment of drilling cuttings is carried out through mechanical equipment that decrease humidity, as well as compaction material, agricultural lime and rice husks to stabilize and dehydrate the waste, in order to attain a homogeneous mixture, controlling its pH without exceeding the appropriate level of the soil.

*OG7 (Oil & Gas)

Water Discharges in the Operation

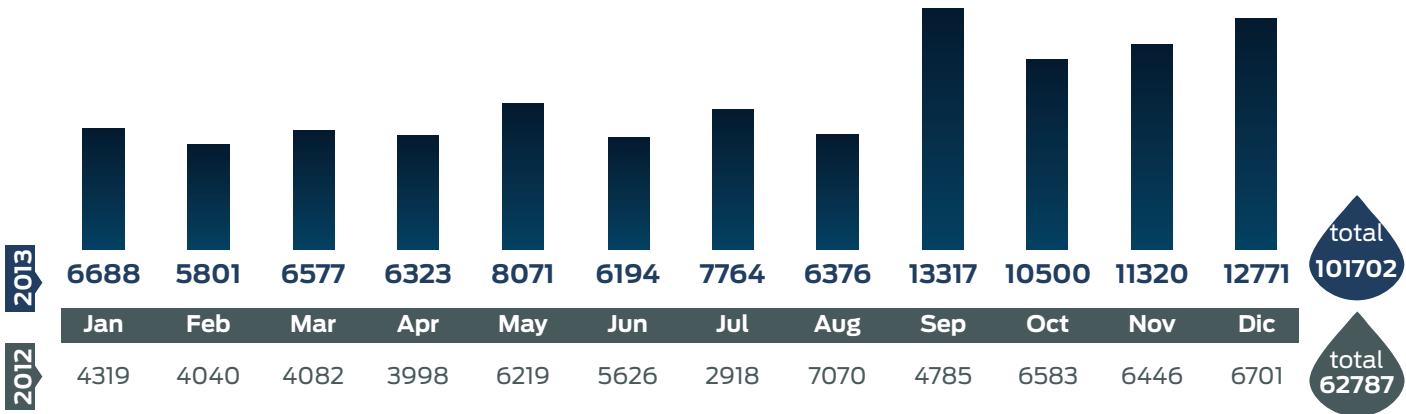
*G4-EN22

The wastewater (AR) resulting from our operation is treated in a particular manner for each Block. In Block Buenavista, in the case of industrial wastewater (ARI), this is performed by authorized third parties. Treatment and stabilization pools are used in Block Condor, in which these waters are chemically treated to be subsequently discharged. In Block Llanos 21, industrial wastewater was generated at the drilling stage and was treated through pools and subsequently transported by a third party for its final disposal.

In Block Condor, ARDs are treated through a WWTP treatment plant that removes physical, chemical and biological contaminants in order to produce a reusable effluent and solid wastes suitable for disposal and/or reuse, which are subsequently transferred to a pool for stabilization and disposal in the spray area.

In Block Llanos 21, the affluent of the ARDs was treated through a WWTP and was then stabilized in a pool to be transported, treated and disposed of by authorized third parties.

Water discharges in the operation of Block Buenavista 2012 – 2013
Amount in barrels (Bbl)



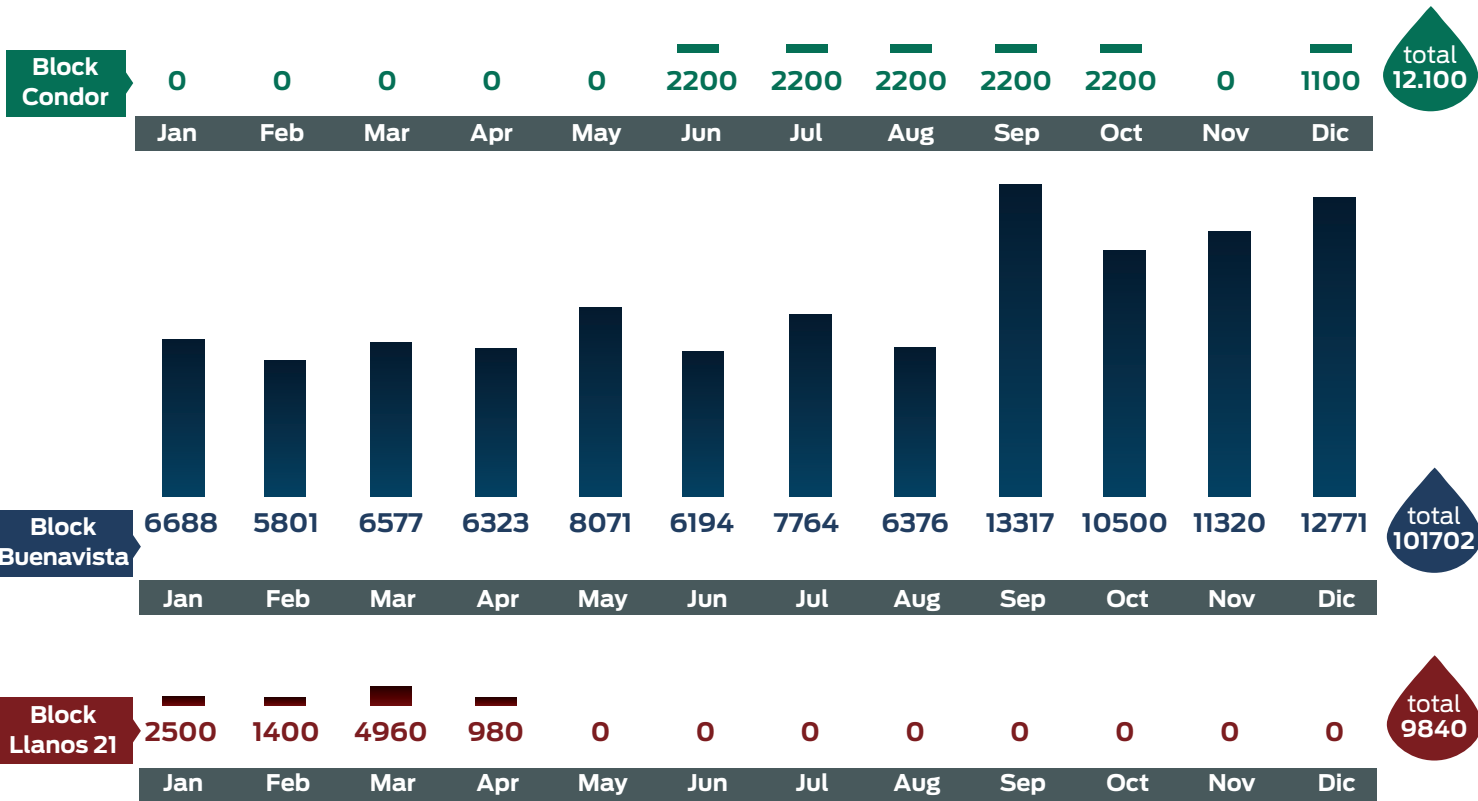
The increase in the discharge of production water at Block Buenavista with respect to 2012 corresponds to the behavior of the reservoirs of some wells that reflected an increase in water level.

In Block Buenavista, 63% of the wastewater generated, corresponding to the drilling stage, was disposed of through spray in internal and access roads to the location. The remaining percentage (37%), which corresponds to the production stage, was transported, treated and disposed of through authorized third parties.

In order to take advantage of the wastewater from Block Buenavista, the reinjection permit pending approval from the competent authority was included in the modification of the environmental license.

Water discharges in the operation of blocks 2013
Amount in barrels (Bbl)

*G4-EN22



A portion of wastewater (5,036 Bbl) generated in Block Condor during 2013 from workover activities that did not meet the parameters established by the standard for discharge, was disposed of by an authorized third party.

Production wastewater that meets discharge parameters is disposed of by the spray method in the zone established by the environmental license for that purpose.

Moreover, all the wastewater generated in Block Plains 21 was handed over to third parties for its handling and disposal.

Blocks Condor and Llanos 21 lack discharge-related information for 2012 since operations in these fields started in 2013.

Generation of Domestic Wastewater

*G4-EN22

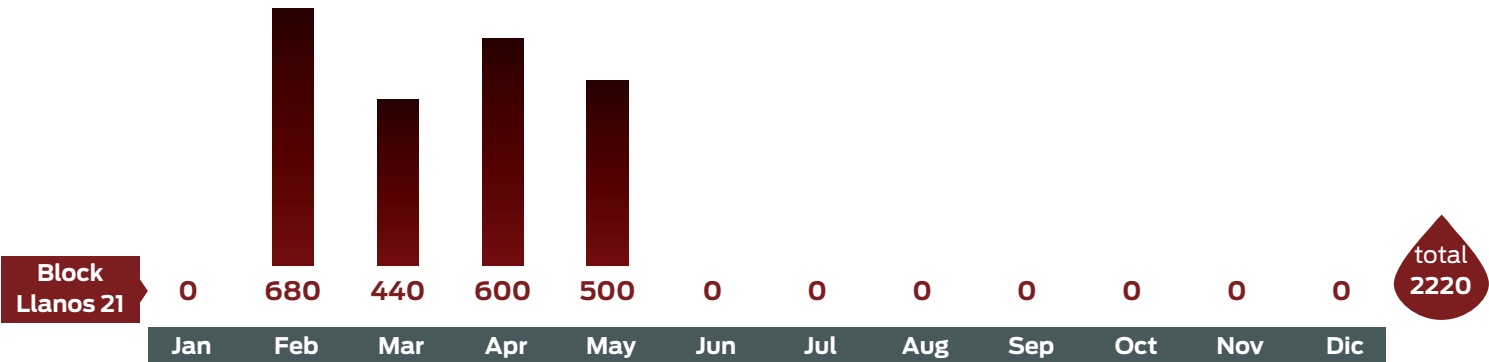
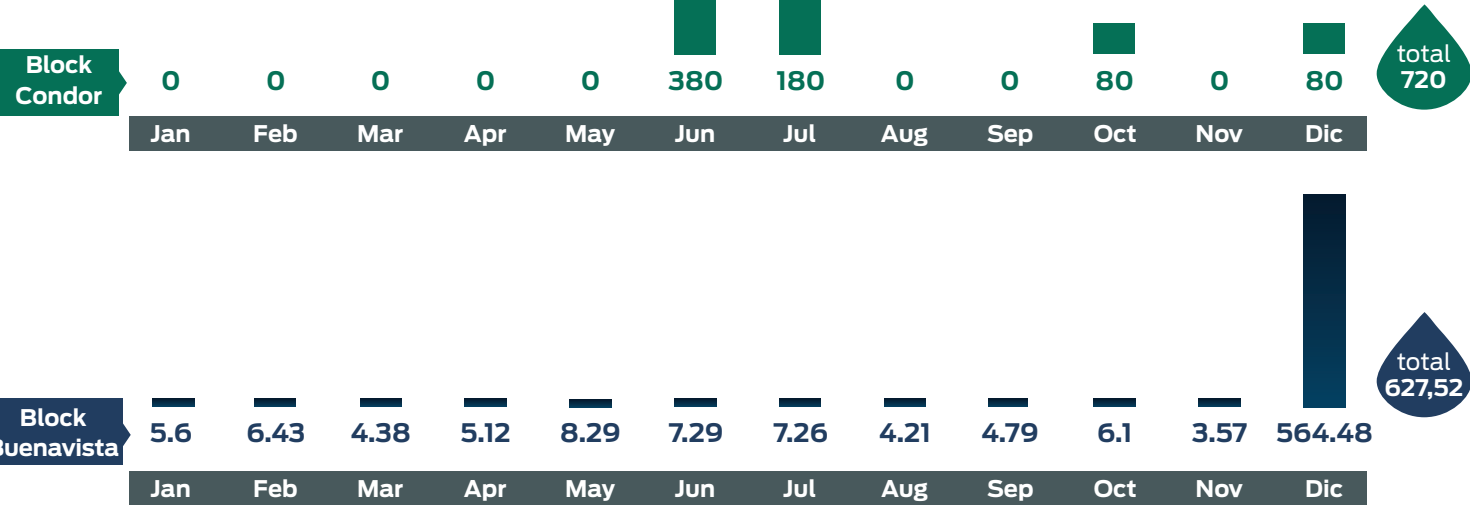
No domestic wastewaters were generated in Block Buenavista since portable toilets are used for the handling of the same. These toilets receive maintenance every week by an authorized third party, who is in charge of collecting, transporting, treating, and disposing of these waters.

In Block Condor, ARDs are treated through a WWTP treatment plant which removes physical, chemical and biological contaminants in order to produce a reusable

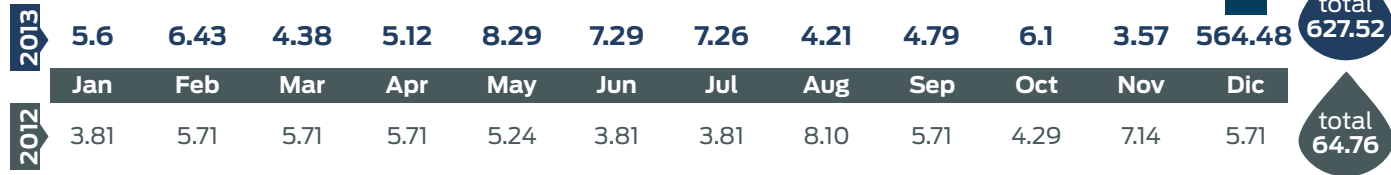
effluent and solid waste suitable for disposal and/or reuse, which subsequently is transferred to a pool for stabilization and discharge in the spray area authorized by the environmental license.

For Block Llanos 21, the effluent is cleaned through a WWTP plant and is then stabilized in a pool to be transported, treated and disposed of by an authorized third party, pursuant to the environmental license.

Aguas residuales domésticas por bloques 2013
Cantidad en barriles (Bls)



Domestic wastewater in Block Buenavista 2012 – 2013
Amount in barrels (Bbl)



The graph shows the increase in the generation of domestic wastewater in Block Buenavista in 2013 as compared to the previous year, as a result of the increase in production activities, i.e. due to the specific works in each well (workover, isolation of areas, mechanical attrition, among others), which increased the number of personnel in the field, and therefore the increase of domestic sewage waters. It is worth noting that this increase did not generate environmental impacts, since as mentioned above, domestic wastewaters are generated by portable toilets and are trans-

ported, treated and disposed of by a third party. During the months of April, August, September and November 2013, the generation of wastewater with respect to 2012 was lower due to the decrease in specific production operations. As mentioned before, there is only 2013 information available for the Blocks Condor and Llanos 21.

Water Resource

*G4-EN9

The measurement of water consumption is the most effective means to improve the rational use of this resource, for this reason we performed a monthly follow-up of consumption in each of the fields. Then we listed the amounts of water used for domestic activities, human and industrial consumption of our projects.

environmental authority are limited, as is the case of Buenavista and Llanos 21, the catchment is carried out through the acquisition of water from companies authorized to provide this service. In Block Condor, the catchment of water is made through two reservoirs authorized by the Environmental License.

It must be noted that we do not affect any water sources in the development of our operations.

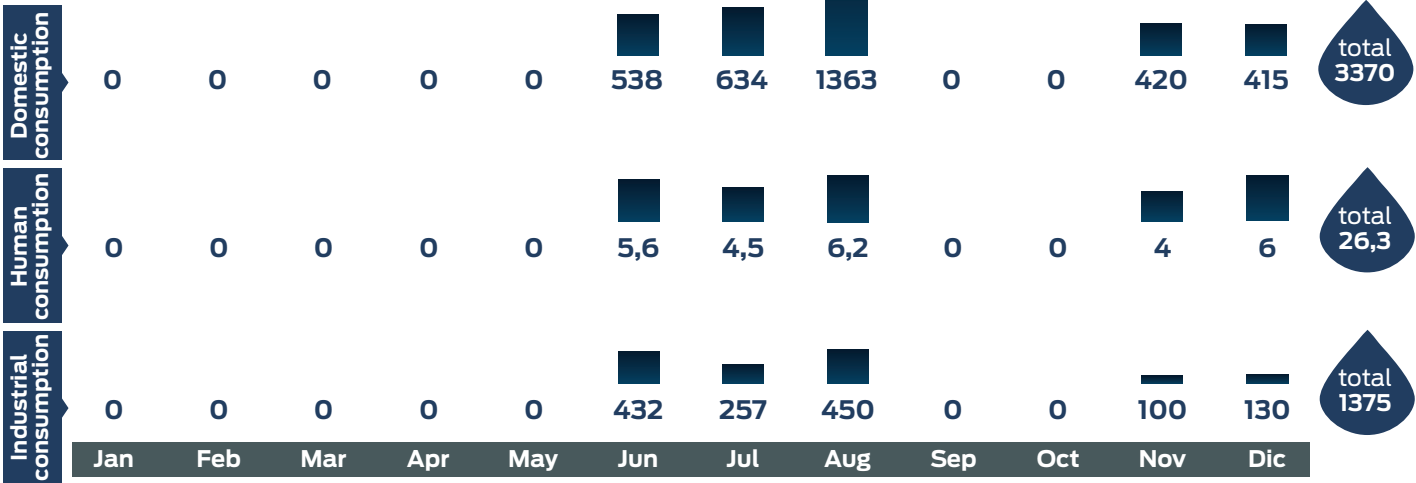
For projects where the catchment permits issued by the

Water Consumption in Block Condor

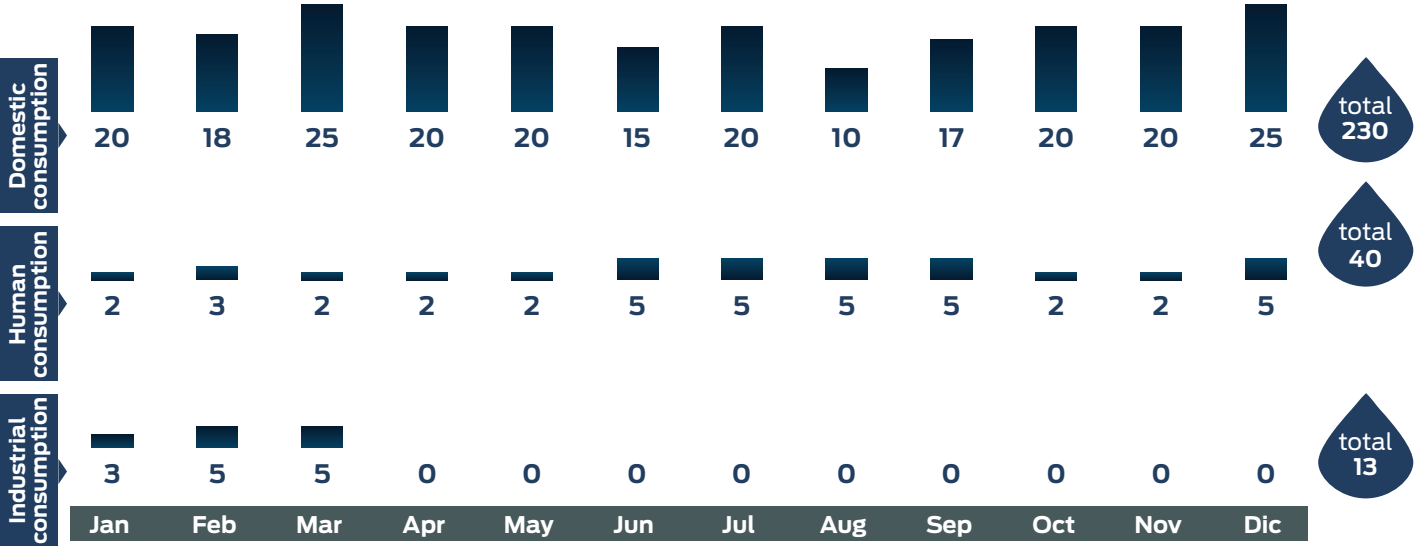
*G4-EN8

The figures of water consumption for this Block correspond to the water used in 2013 in drilling (workover) and production stages.

Consumption of drinking water in Block Condor - Bbl Workover



Consumption of drinking water in Block Condor - Bbl Production

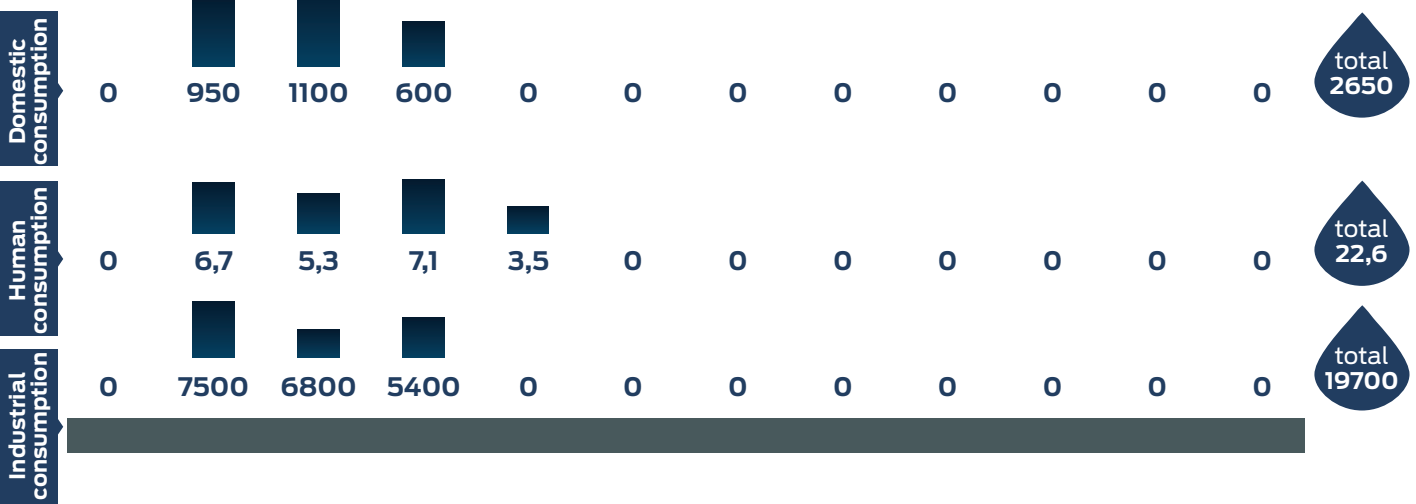


Water Consumption in Block Llanos 21

*G4-EN8

The figures of water consumption for this Block correspond to the water used in 2013 in the drilling stage.

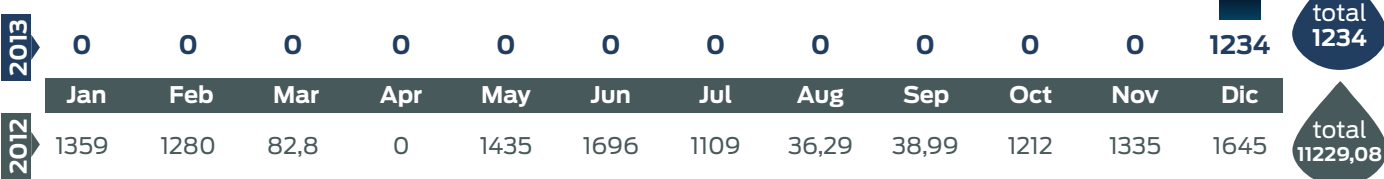
Consumption of drinking water in Block 21 - Bbl



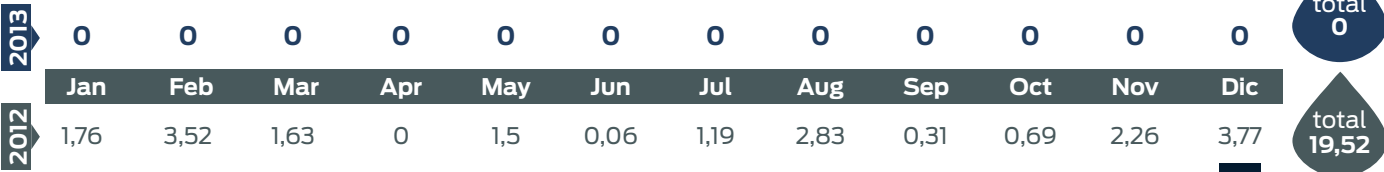
Consumption of drinking water in Block Buenavista 2012 – 2013 (Bbl) *G4-EN8

Drilling

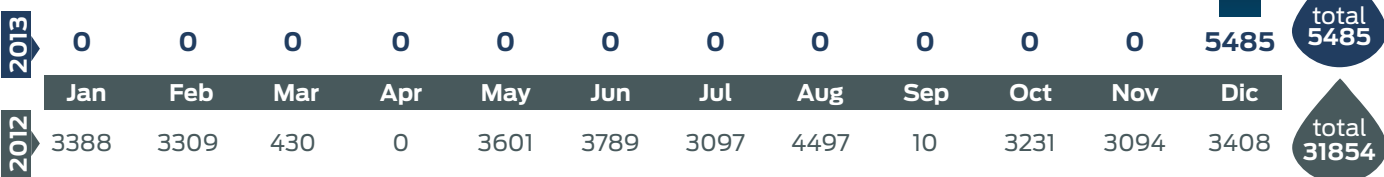
Domestic consumption



Human consumption

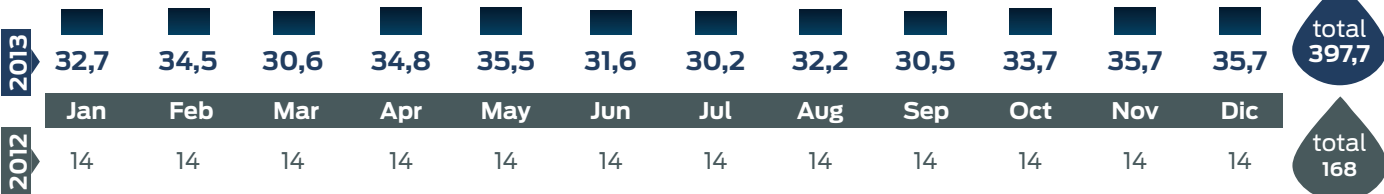


Industrial consumption

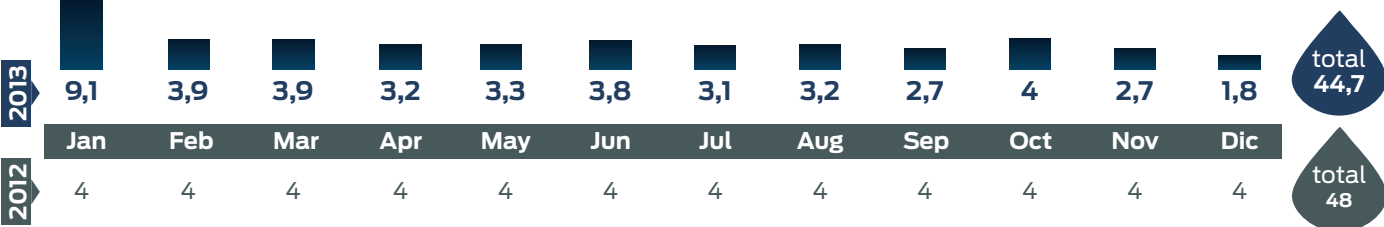


Production

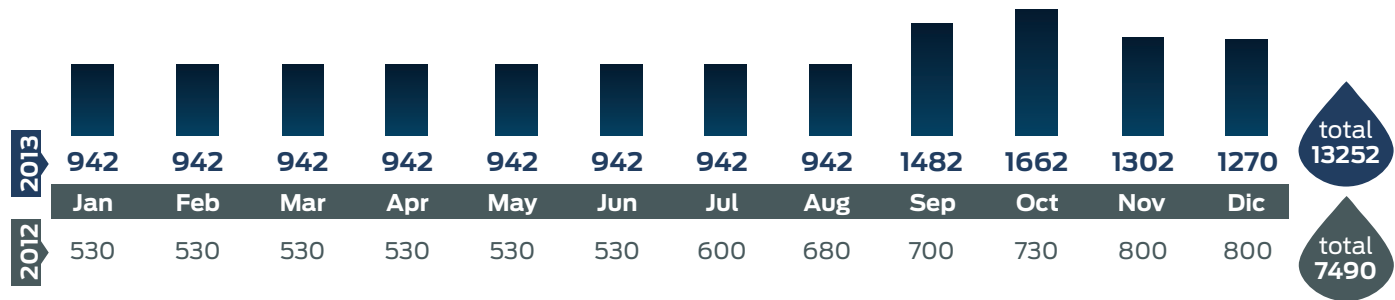
Domestic consumption



Human consumption



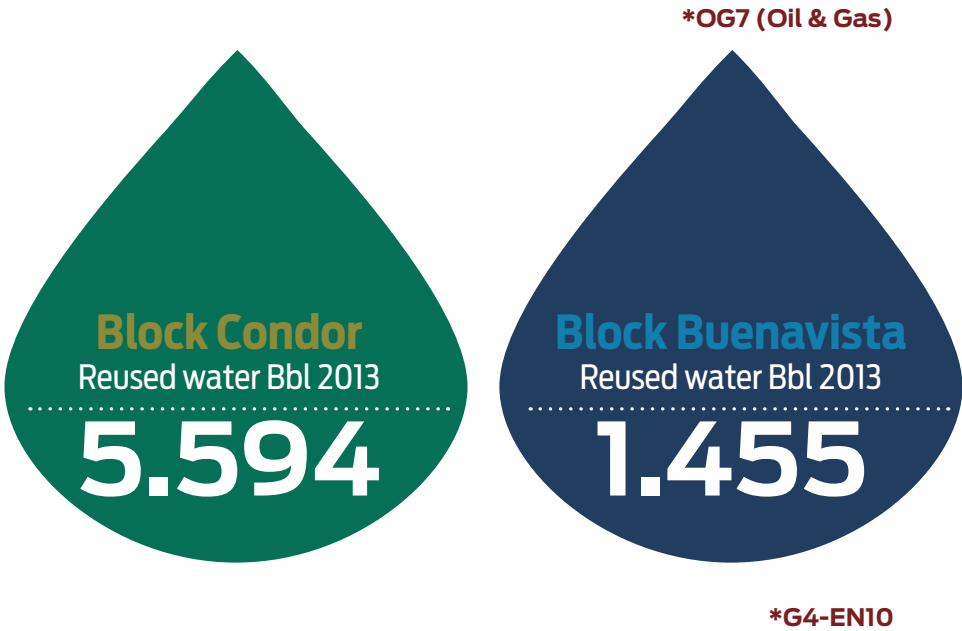
Industrial consumption



The increase in water consumption in Block Buenavista versus 2012 in the production stage is the result of the increase in the activities of the operation. With regard to the drilling stage, no activities were carried out in the period between January to November therefore water consumption was zero.

As part of our commitment to the rational use of water, we carry out processes for the reutilization this resource in our operations. In Block Llanos 21 and Block Buenavista, water was reused during the drilling phase through the optimization of the sludge treatment system (Dewatering

Unit), where equipment such as centrifuges, storage compartments and mechanical separation (flocculation units), sludge tanks (cash tank) were used, among others, then the water coming out from the sludge tank is sent to a storage tank (frack tank) and recirculates constantly in the preparation of sludge. In Block Condor, production water was reused in the process for the preparation of brine in the works carried out at the well.



During the drilling in Block Llanos 21, the industrial wastewater resulting from the process was treated in compliance with the parameters laid down by the standard and was sent by the operator to the city of Yopal through a third party authorized for its final disposal.

In addition and as part of the Company's environmental

responsibility, an inventory of the reservoirs in operation at Block Buenavista is carried out, since it is a common practice in the area for the catchment of water, sometimes without permission from the local environmental authority. This report is notified to the Corporation, which determines its legality and subsequent actions to be followed.

*G4-EN27

In 2011, the company focused on the construction of the PoAs (Program of Activities) structured under the Clean Development Mechanism (MDL) of the Framework Convention on Climate Change (CM - NUCC) of the United Nations. The PoA gathers a large number of large-scale emission reduction activities, which generates carbon offsets. 2012 was a significant year for the company as it carried out the process for the registration of two PoAs that allow the issuance of carbon offsets in the coming years through the recovery and use of associated petroleum gas normally burned in oil fields and through the generation of electricity from methane gas normally burned in oil fields.

The PoA was successfully registered during 2013 for the recovery and use of associated gas, for which the Ministry of the Environment and Sustainable Development sent us their sincere congratulations for the successful registration of the program, highlighting the efforts made by the company and providing support for future stages.

Energy Efficiency

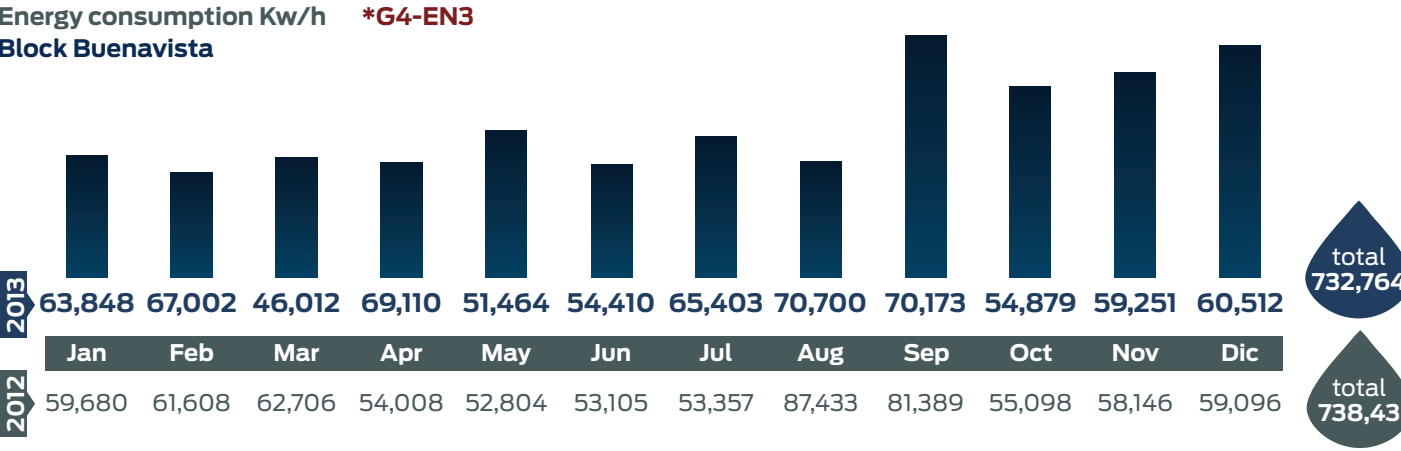
*G4-EN3

Energy in Omega Energy Colombia is primarily obtained through the connection to the electrical networks of different companies that provide this service; on a smaller scale

we generate energy from diesel plants, specifically in the Block Condor from June 2013 and for the drilling project of Block Llanos 21.

By 2014 we expect to start with the self-generation of energy from gas in Block Buenavista, a project that is planned from 2012.

Energy consumption Kw/h
Block Buenavista



The decline in the consumption of energy in 2013 corresponded to the decrease of certain operational activities. Our Program for the Rational Use of Electric Energy has allowed us to minimize and control the consumption of electricity in all the facilities of the Company and projects (offices, camps and facilities), this program includes awareness, signage, maintenance and renovation activi-

ties for computers, air conditioners, printers, microwaves, refrigerators and lighting.

*G4-EN6

The energy consumption data for 2012 in Blocks Condor and Llanos 21 have not been reported since no operations were carried out during that period.

Emissions

*G4-EN15

The monitoring of the air quality of each one of the projects where drilling and production activities were carried continued in 2013, in order to measure and track each of the gaseous pollutants such as total suspended particulate matter (TSP), suspended particulate matter of less than 10 microns (PM₁₀) Nitrogen Dioxide (NO₂), Sulfur Dioxide (SO₂), Carbon Monoxide (CO).

The results obtained are compared with Resolution 610/2010 that sets forth the air quality or emission level standard for the entire national territory. The maximum permissible values of the pollutants are shown in the following tables per Block:

Air quality monitoring in Block Condor - µg/m³				
CRITERIA	MAXIMUM PERMISSIBLE	STATION 1	STATION 2	STATION 3
TSP	300	12,65	14,25	11,45
PM ₁₀	50	7,91	8,22	7,97
SO ₂	80	5,6	4,16	3,32
NO ₂	100	6,32	5,42	5,07
CO	10,000	4429,6	4590,14	993,04

Air quality monitoring in Block Buenavista 2012 - 2013 - µg/m³							
Criteria	Maximum permissible standard 610- µG/M³	Station 1 2012	Station 1 2013	Station 2 2012	Station 2 2013	Station 3 2012	Station 3 2013
TSP	300	20,77	85,8	29,67	75,5	21,68	61
SO ₂	250	0,63	26,3	0,36	26,1	0,57	9,6
NO ₂	150	0,69	25	0,71	22,5	1,1	16,8
CO	10000	1945,56	1455,2	0	1374	0	883,1



Lake Tota / Boyacá - Colombia

The air quality sampling in the area of direct influence of Block Buenavista showed normal activity. The average concentrations of all contaminants tested in sampling stations are below the maximum values allowed by the standard.

Currently, we are reducing emissions by burning due to the gas plant commissioned in 2012 in Block Buenavista, which was optimized in 2013 in order to increase the amount of gas sold at the wellhead, which is transported through a Virtual Pipeline (approximately 1,500,000 MPCPD), resulting in reduced burning volumes.

Air quality monitoring in Block Llanos 21 - µg/m³				
Criteria	Maximum permissible	Station 1	Station 2	Station 3
TSP	300	96,45	130,02	88,21
PM ₁₀	50	56,2	125,95	80,18
SO ₂	80	13,36	11,99	13,33
NO ₂	100	8,45	9,44	5,28
CO	0	0	0	0

Gas Burning in Torches

To prevent the emission of particulate matter and gaseous pollutants that significantly affect the ozone layer, a burning system for gas in torches is used with the respective corrections as authorized in the Environmental License, which allows avoiding the release of gaseous hydrocarbons into the atmosphere. Maintenance is performed on a bi-annual basis to the torch system and the spill control system.

***G4-EN20**

During 2013, estimated GHG emissions were 137 kilotons of CO₂e, in line with the above and according to OEG's commitment to the environment, during 2013 various projects designed to significantly reduce emissions and encourage the efficient use of energy were started. These projects as a whole would prevent the annual release of approximately 308 Kt of CO₂, starting by phases in 2014. The main projects are focused on:

- Station for the transport of CNG (Compressed Natural Gas) avoiding the burning of 44 Kt of CO₂ every year.
- Electricity generation system avoiding the burning of 44 Kt of CO₂ per year.
- Pipeline of 10 km for interconnection of fields with the national gas pipeline system avoiding the burning of 220.4 Kt of CO₂.

***OG6 (Oil & Gas), *G4-EN15, *G4-EN27**

No spill has been produced during the conduct of our operations that may have caused environmental impacts or affected communities. ***G4-EN24**



Flooded savanna, Casanare, Colombia

Environmental Costs

***G4-EN31**

The company earmarks more than USD 2,407,000 for its operations and the implementation of the environmental management system in each of the Blocks.

Biodiversity

***G4-EN11, *OG4 (Oil & Gas)**

The areas where we develop our operations are not considered as protected areas.

Forest harvesting is not allowed by the license for Block Buenavista as well as in that for Block Llanos 21, hence the criteria for the location of surface prospects do not impact ecosystems of ecological and environmental importance since its location is prioritized towards grasslands and/or areas already affected.

In Block Condor, intervention activities were carried out at the time of the construction of the facilities. To this end and according to the Environmental License, a compensation plan forest was conducted which included the reforestation of strategic areas. The reforestation process that are carried out with respect to particular projects from previous periods, continue developing and we expect them to culminate in 2014 and to proceed to their delivery to the respective Regional Autonomous Corporations. (Guavio 2D and 3D, Condor 3-6).

***G4-EN12, *G4-EN13**

Involvement of Communities in environmental matters.

Public Environmental Hearing

Union Temporal Omega Energy is in the process of amending the environmental license to expand its operational activities and natural resources permits, in which the expansion of the area licensed to the entire Block is requested and as a result the municipalities of the area of influence would change from 4 (Floresta, Nobsa, Corrales and Topaga) to 9 (Floresta, Nobsa, Corrales, Topaga, Mongui, Mongua, Busbanza, Gameza and Sogamoso).

Within this process and as a mechanism for citizen participation, regulated under Decree 330/2007, the Mayor's Office of Sogamoso requested the conduction of an environmental public hearing. In the development of this activity and in compliance with the rule governing the same, 2 meetings were developed: one (1) prior informative meeting and one (1) environmental public hearing. These meetings are attended by the National Authority of Environmental Licenses - ANLA, and the mayor's offices and designated representatives of the municipalities that are part of the project participate, as well as different control and monitoring agencies (Ombudsman's Office, Attorney

General's Office, Comptroller's Office, ANH, among others).

These socializations are carried out with the objective of informing the community in general of the modification to the Environmental License, the activities requested and the impacts identified for the project and environmental management measures raised as a mitigation and compensation strategy for these impacts.

The briefing was developed at Coliseo Alfonso Patiño Roselli in the city of Sogamoso on June 26, 2013, from 8 in the morning.



Briefing on June 26, 2013. Participation of approximately 250 persons.

***G4-26, *G4-27**

At this meeting, the community expressed their questions and concerns with respect to the activities of the project, and UTOE answered every concern, clarifying these activities. This meeting was attended by the new business development management, the environmental and social management and the consultant team who gathered and analyzed the information submitted in the environmental studies.

The activities of the draft amendment of the environmental license were exposed in environmental public hearing, which focused on showing the participatory methodology for the collection and analysis of information of environmental studies, the possible impacts identified and monitoring, mitigation and control strategies and measures.

Mayors and representatives of the municipalities of the area of influence of the project participated in this hearing on their own right according to the provisions of Decree 330/2007. Similarly, all natural and legal persons who wanted to participate had to register themselves with each representative's office of the aforementioned municipalities and submit, if they choose to do it, a paper for making their presentation on the day of the public hearing.

As a result of this participatory event, the massive turnout of the community and the high participation achieved stand out, which allowed UTOE to present the definition, clarification and scope of the amendment to the environmental license to the largest number of people in the area of influence of the project, clearing doubts and concerns about the operation, impacts, management measures, and permits for the use of natural resources.



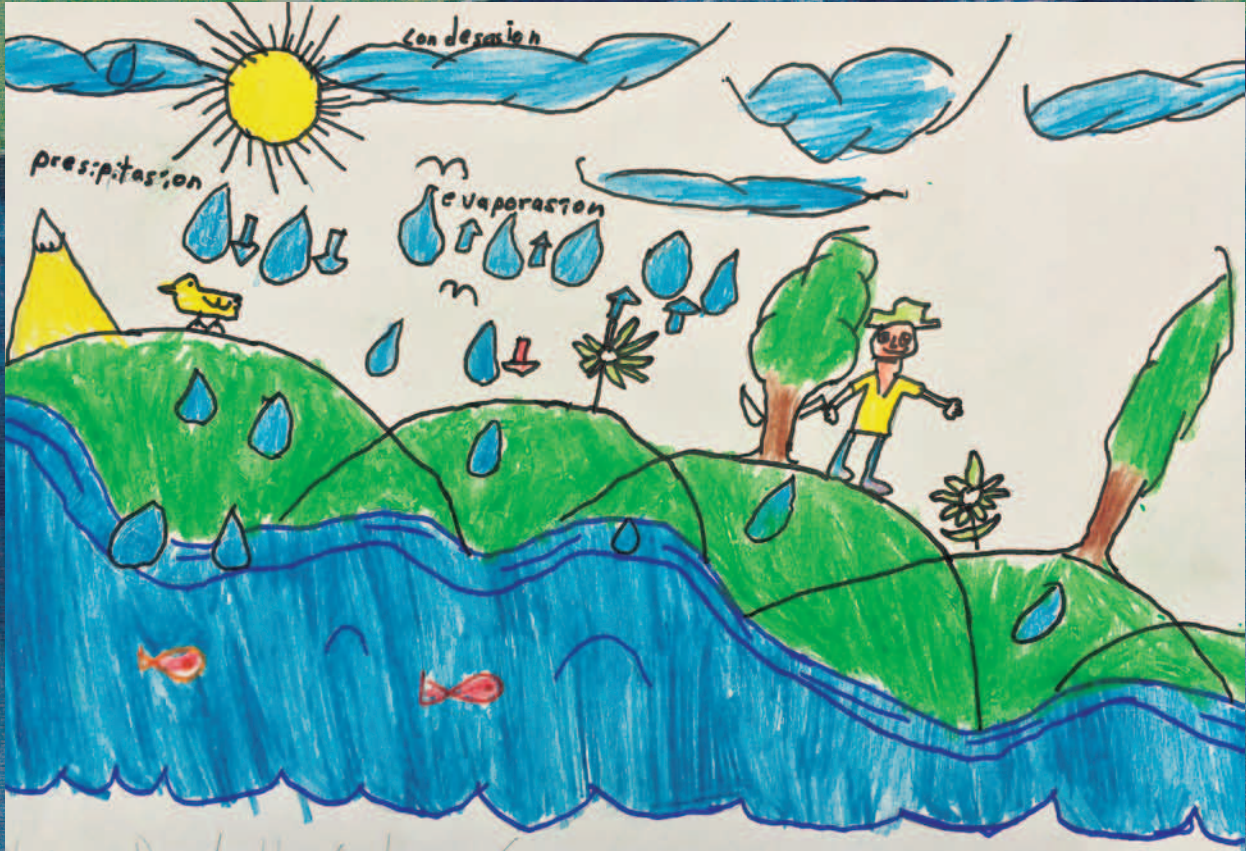
Top, community participation in the briefing, asking questions about the project.

Above, environmental public hearing held on July 12, 2013. Approximately 600 people participated.

Environmental Management Pegasus Blending International (PBI)

PBI has not had direct environmental intervention since it is covered by the Environmental License for the Block La Punta, which was awarded to a third party (UTO), and it is responsible for environmental assurance. However, it must be noted that during 2013 PBI implemented all

the requirements, processes and procedures required by the standard ISO 14001, in order to operate in compliance with international environmental standards and with the intention of being certified next year.



Drawing winner from Yeisson David Hernandez Camacho

Water is one of our most important resources; it is our responsibility to know how we can make part of its protection and proper use. In OEG communities are involved with training and sensitization regarding this resource.

As evidence of corporate commitment, workshops on the water cycle were done, directed to elementary students at schools in the areas of direct influence by the block Buenavista. A drawing contest was drive by the company and the winners were:

Place	Name	Grade	Institution	Municipality
1	Yeisson David Hernandez Camacho	3º	Juan José Samaniego	Corrales
2	Tatiana Fajardo Martinez	1º		
3	Astrid Yulieth Paipa	4º	Vado Castro Sede vergel	Tópaga
4	Yesica Mayerly Araque			
5	Pedro Nel Araque	4º	Juan José Samaniego	Corrales

Relevant Issues

Sustainability in the supply chain

The growth that our company has had in recent years and the geographical expansion of our operations have allowed the acquisition of goods and services to be a fundamental process in the development of each one of the projects of OEG, where our management becomes feasible through our Integrated Management System (IMS).

The acquisition of local goods and services is focused on the Department of Boyaca, the procurement process from previous years in the region continued during 2013. With operations in Block Llanos 21, we started with the acquisition of goods in the foothills of Llanos and Block Condor in the region

of San Luis de Gaceno. We also developed the procurement area in the municipality of Mani, Casanare, with the operations of Field La Punta.

Our suppliers and contractors are highly important to the Organization thereupon we promote respect and trust, we maintain clear rules, stipulate contractual conditions that must be respected, and manage direct relationships with each supplier; they constitute a strategic ally for the Organization, as the success of the operation is largely based on the products and services provided by each supplier, so that tech-

nical knowledge can be developed in the best way possible.

Our 224 suppliers are part of the success of the company, providing high-level services, including technologies, they additionally have a great history and recognition both in Colombia and internationally; with their experience and work in social, environmental and labor responsibility that give an added value to our operations.

Lake Otún, Risaralda, Colombia.

Our Supply Chain ***G4-12, *G4-EN33**

Our supply chain starts with the requirements of each of the areas of the company to carry out certain activities, which involves the procurement of products or services. The procurement, logistic and materials department begins its work through the management of different providers that meet the needs of each area, then a selection is made based on the best economic, technical, quality and availability offer, among other criteria. Once the suppliers have been selected, the department generates the service or purchase order and proceeds to carry the order out. We perform annual assessments to our suppliers where our satisfaction with the services or products acquired is evidenced, always taking into account the elements of HSEQ; this assessment allows us to materialize the continuity of the provision of services with each of our suppliers.

Our Goods and Services Acquisition Policy allows us to strengthen relationships with stakeholders, establishing socially responsible guidelines and practices that allow assuring the procurement of goods and services, the active participation of contractors and suppliers both from areas of influence and other regions is promoted.

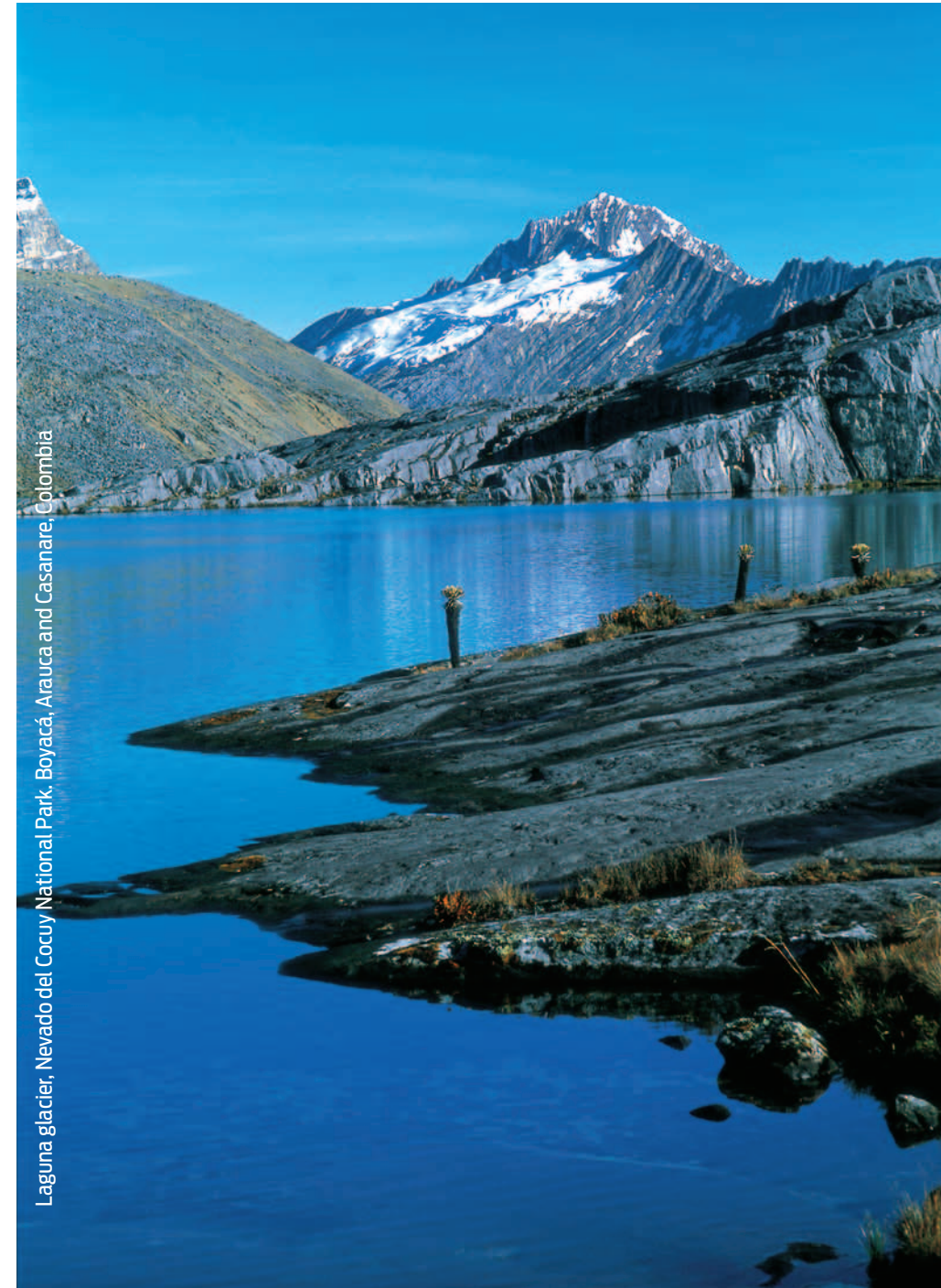
Assurance of Labor Practices in the Supply Chain

***G4-LA15, *G4-EC8, *G4-HR5, *G4-HR6, *G4-HR11**

The impact that our suppliers may generate through industry operations in the places where the company has a presence is high; under this premise, our suppliers are chosen strategically. In the search for the mitigation of impact and the reduction of risks, in 2013 we implemented an annex to contractual clauses and orders, which clearly establish the compliance required by the Law on health, industrial safety, environment, ethics and human rights; through these clauses, the contractor undertakes to respect and

to ensure the effective and adequate protection of Human Rights and the International Humanitarian Law, as well as their responsibility to their employees and dependents on the same issue and subject to audit when deemed necessary by OEG.

After the disclosure of the HSEQ policies, the recruitment of local labor and the procurement of goods and services during the negotiations and contracting phase, an induc-

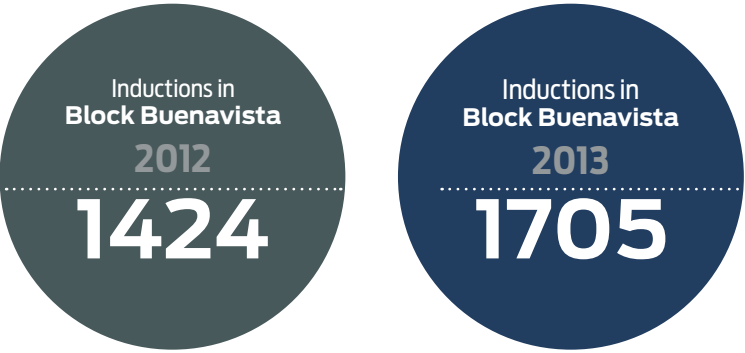


Laguna glacier, Nevado del Cocuy National Park, Boyacá, Arauca and Casanare, Colombia

tion is carried out by the HSEQ area in order to inform again and emphasize at the time of entry into any of our fields of operations, in which labor and environmental practices and the entry and safety requirements for the operations are reported, allowing the direct and active communication with suppliers through OEG officials. Inductions carried out in field are directed to the staff of contractors, visitors and personnel, a card is delivered to each person with a validity of one year from the induction and awareness of safety procedures. In 2013 we performed a greater number of inductions, which was reflected in the entry of staff from contractors who worked in the different field operations such as drilling, workover, civil works, among others. A new induction must be carried out if there is any change in the HSEQ practices, even if it is within the year of validity.

Audits were performed to some of our contractors, among them we find the following hydrocarbon transporters: Transportes Caribe, Transportes Humadea and Movitransportes. An audit was also conducted to Multiservipetrol, provider of civil works services, to Su Oportuno Servicio (S.O.S.), provider of surveillance services, GEACOM, company responsible for the Gas plant and IDS, a civil works company. Compliance with HSEQ by the last three companies mentioned above was also monitored during the same year.

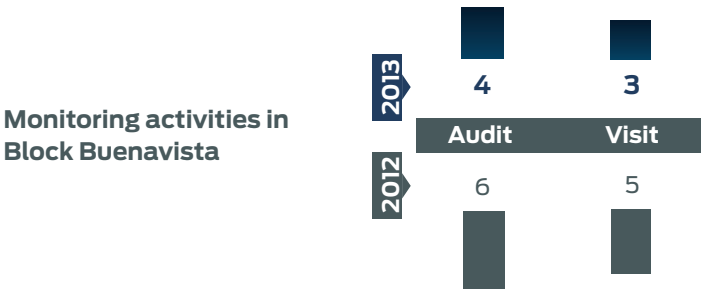
The company holds meetings in which safety and environment issues are discussed, in past years the invitation has been extended to suppliers and contractors for them to attend voluntarily and be aware of the issues addressed. By 2014 these talks will be included in the contractor training plan.



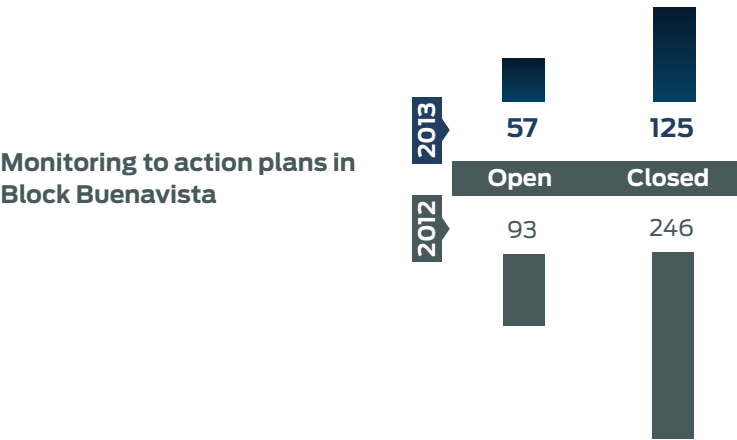
Environmental impacts of the supply chain *G4-EN33

Visits were conducted to suppliers on environmental matters, with the purpose of monitoring the transportation, treatment and final disposal procedures of each solid and liquid waste generated in Block Buenavista. Amid the visited companies we find Ecoplanta, Bamocol, Bañomovil, Edepsa and Ecoentorno, providers of transportation, treatment and final disposal services of production water, wastewater from portable sanitary units, and solid waste generated in Block Buenavista.

The companies Bañomovil and Ecoentorno were contracted for the first time in 2013; during the same year there was no contractual termination with any supplier due to actual and potential significant impacts.

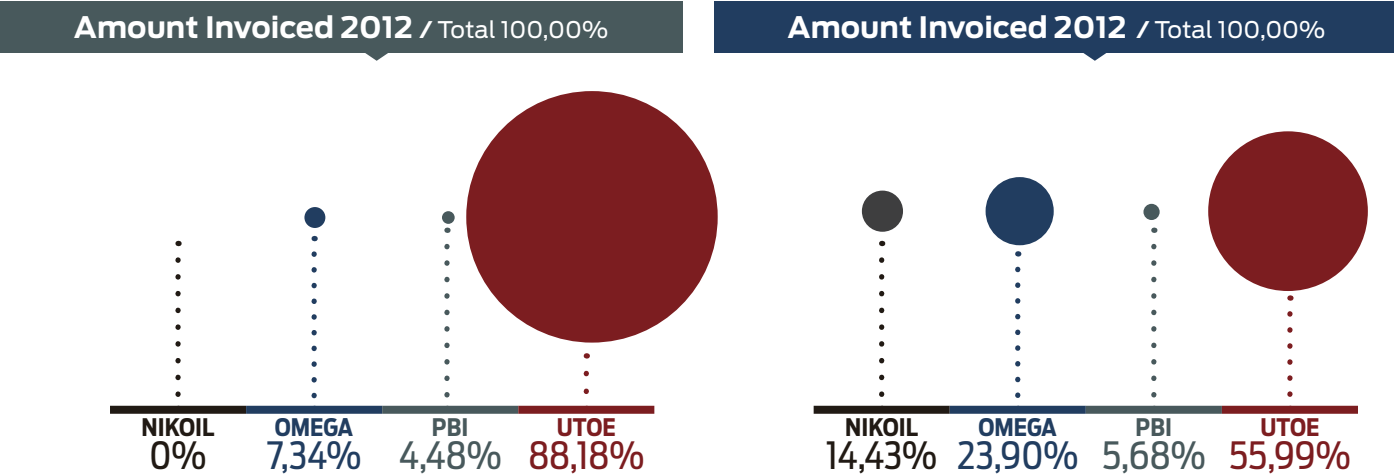


OEG is interested in its continuous improvement, audits are a mechanism to find gaps that bring us closer to continuous improvements in operations; the result of the audits carried out to our suppliers translates into action plans, product resulting from the observations made in visits by different environmental authorities, in internal and external audits, contribution cards, among other. The observations made are monitored in the area identified (safety, quality, wellbeing) and are closed according to the efforts undertaken and the results obtained according to the area in charge.



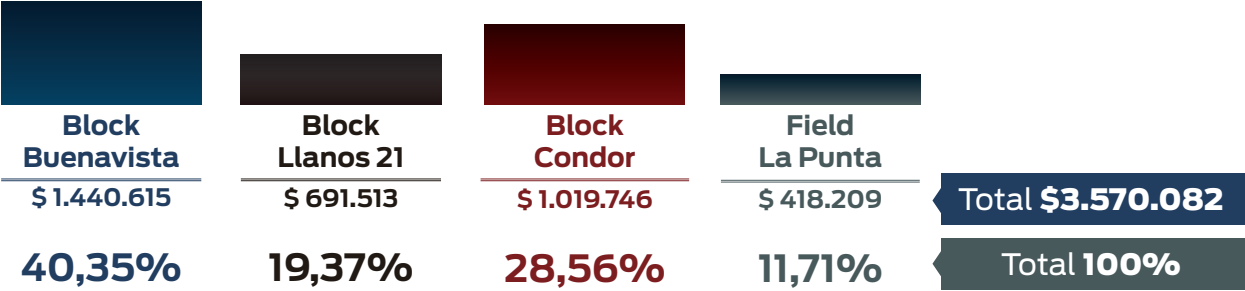
*G4-EC9

Total procurement of goods and services in 2013 (Figures in USD)		
Company	Amount Invoiced 2012	Amount Invoiced 2013
NIKOIL	\$ -	\$ 5.625.685,62
OMEGA	\$ 2.883.254,07	\$ 9.320.762,38
PBI	\$ 1.762.384,61	\$ 2.215.201,47
UTOE	\$ 34.661.633,14	\$ 21.834.125,37
Total	\$ 39.307.271,82	\$ 38.995.774,84



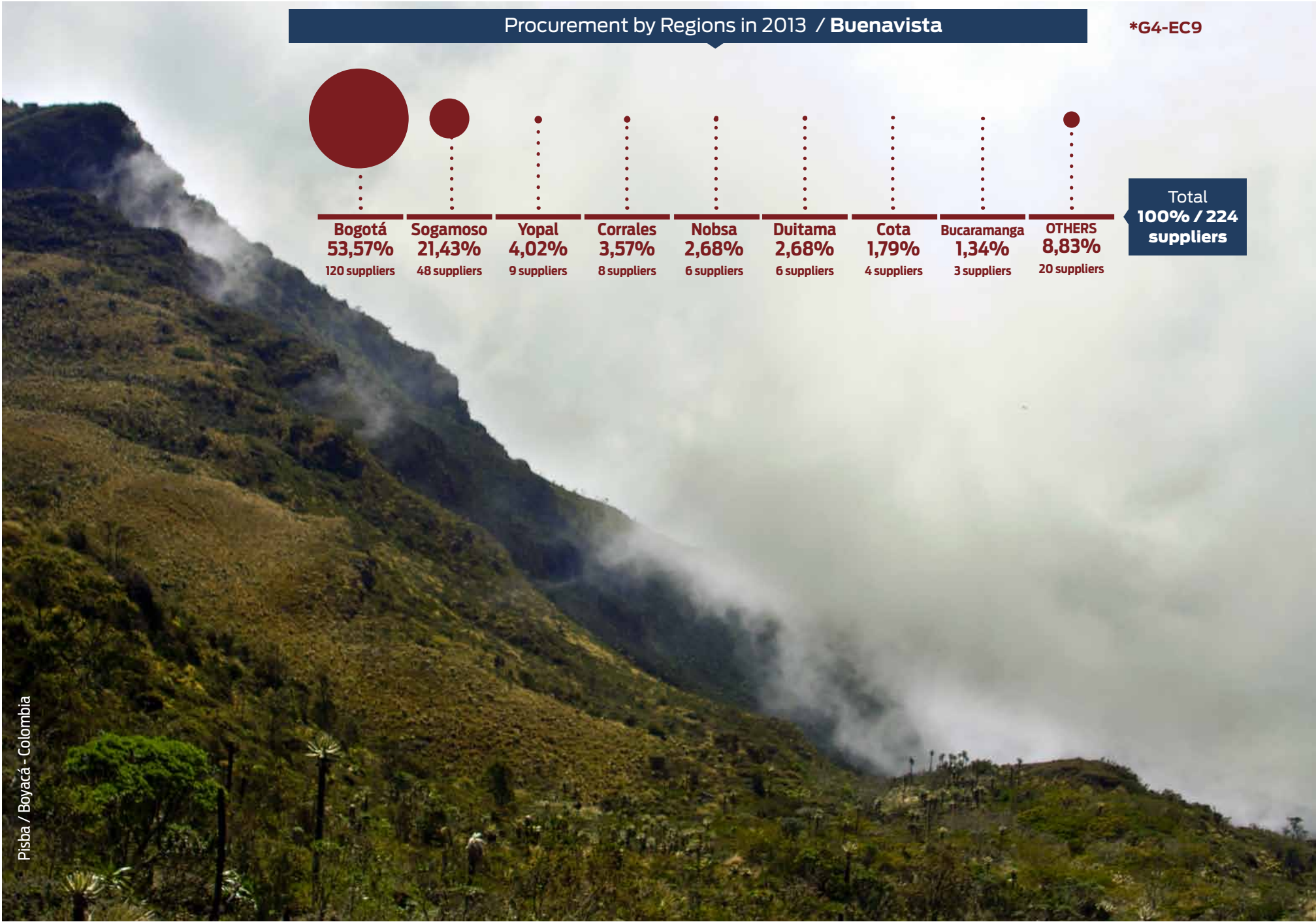
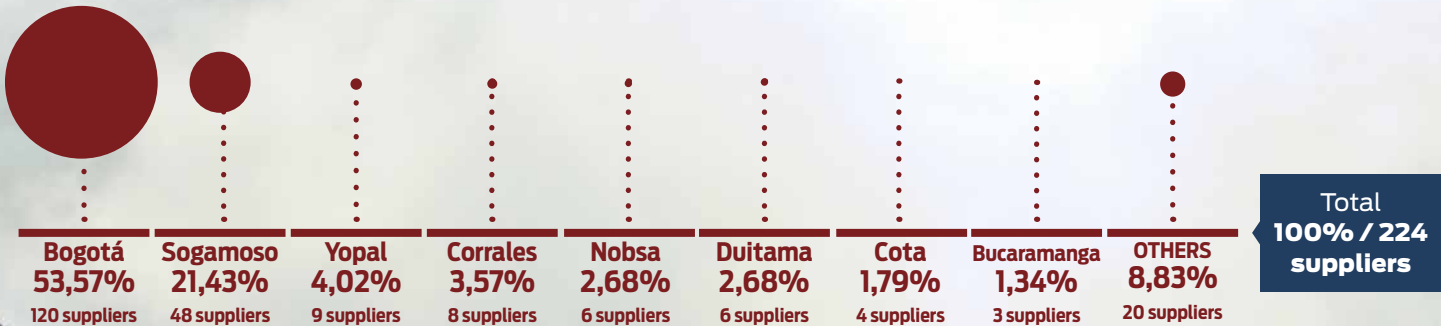
Procurement by Block in 2013 (Figures in USD)
Purchase value of goods and services in areas of influence

*G4-EC9



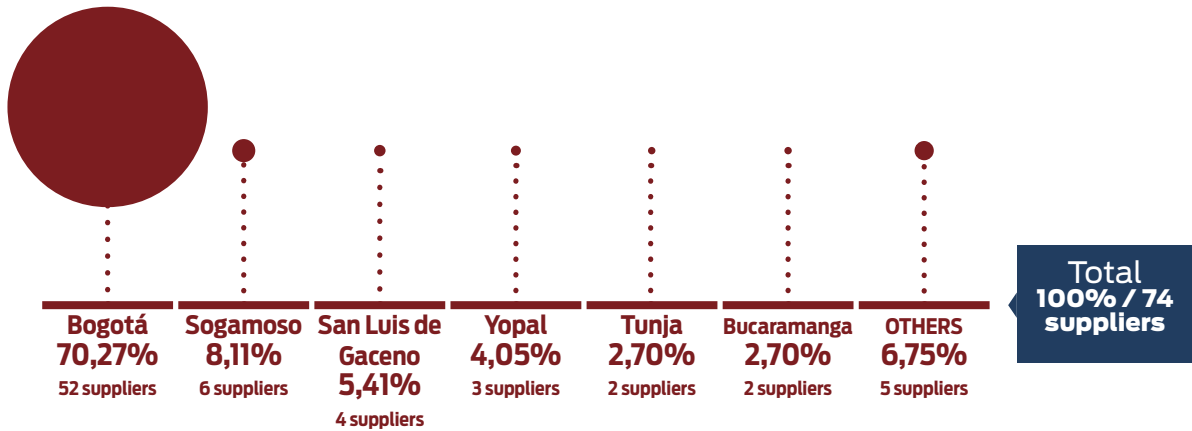
Procurement by Regions in 2013 / Buenavista

*G4-EC9



Contratación por Bloques 2013 / Cóndor

*G4-EC9

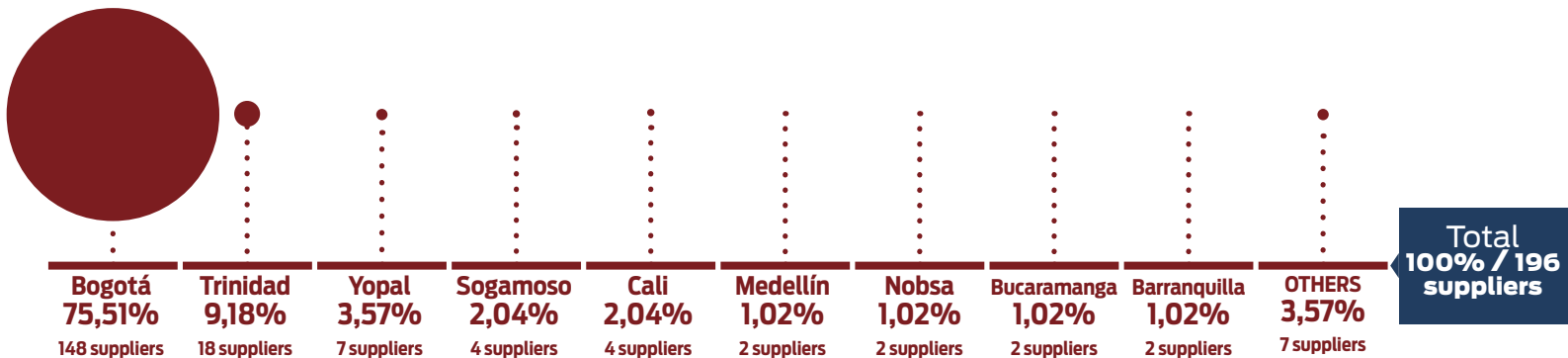


Our Challenges for 2014

1. Strengthen control on suppliers and contractors, channeled through the responsible areas, especially HSEQ.
2. Strengthen the actions taken through the assessment to suppliers; each area that evaluates the performance of suppliers will have the opportunity in 2014 to extend the aspect of the assessment to comply with HSEQ, social responsibility, ethical and human rights issues.
3. Through field managers, comply with the goods and services procurement policy of the community to the extent possible for each process.

Contratación por Bloques 2013 / Llanos 21

*G4-EC9





RELEVANT
issues



Relación responsable con
los Clientes

Relevant Issues

Responsible relationships with Customers

Our main customer is Ecopetrol S.A.; however, we have others such as Australian Bunker Suppliers, Codis S.A., Trayectoria Oil and Gas and the National Hydrocarbons Agency. During 2013 we generated new business relationships to strengthen our presence in the market; our challenge is to demonstrate commercial improvements during 2014.

Our customer satisfaction survey carried out during 2013 allows us to verify the satisfaction of business relationships with our customers. These assessments take into account our commercial management, willingness, diligence and solvency, effectiveness in the communication channel with the commercial team and the company, claims and observations, the quality of the product, the level of understanding of business needs of customers, compliance with

the deadlines and the deliverables schedule agreed upon, attention to field staff for deliveries at wellheads and related issues such as liquidations and invoicing. In 2013 two of our customers, including Ecopetrol S.A., described the management of the company as very positive in all the aforementioned aspects.

***G4-PR5**

Magdalena River, adjacent to the Bethany dam, Huila, Colombia.



RELEVANT
issues



Participación Activa y Desarrollo
de la Comunidad

Asuntos Relevantes

Active Participation and Development of the Community

The relationship with communities in the areas of influence is a priority during the development of our operations, directly evidencing the communication with the community and stakeholders. The commitments to the improvement of the quality of life of our communities in the areas of direct influence are closely related to the application of the best business practices, we are focused on maintaining and continuously improving good neighbor practices and we constantly generate direct and timely communication spaces. We are interested in promoting the social, civic and economic progress of people through concrete actions, previously reviewed with municipal authorities, community leaders and direct beneficiaries, as set out in our Community Relationship Policy.

Our social endeavors rely on the Integrated Management System, which governs our business management in a comprehensive manner. As part of our Social Responsibility Policy we have found guidelines for the involvement of communities in the areas of influence and social investment guidelines; the system has procedures in place that regulate social, communication and socialization efforts, as well as

the attention to community manifestations and the engagement of unskilled labor, it also regulates the prior consultation process with the objective of ensuring the participation of ethnic groups in legal and administrative decisions, when projects, works or activities are to be carried out within their territories.

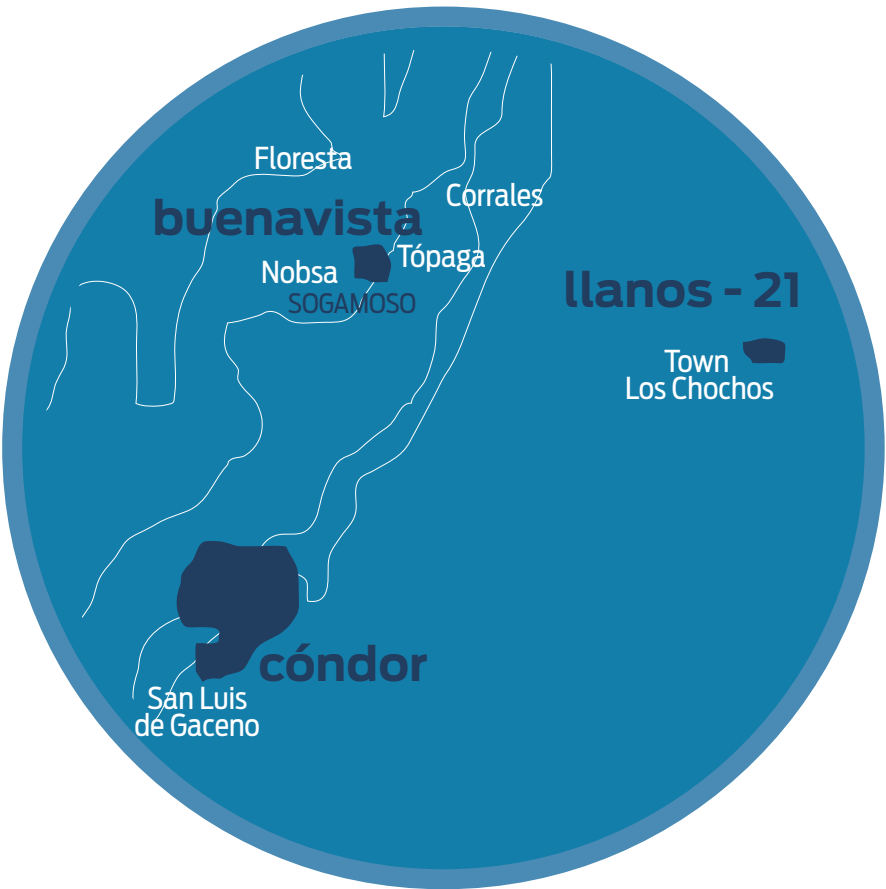
Mavecure Hills, Guainía, Colombia.

Society

We operated three blocks during 2013:
Condor, Llanos 21, and Buenavista.

Our areas of direct influence by block are
the following:

- 1. **Block Buenavista:** Municipalities of Topaga, Floresta, Nobsa and Corrales located in the Department of Boyaca.
- 2. **Block Condor:** Municipality of San Luis de Gaceno, Boyaca.
- 3. **Block Llanos 21:** Town Los Chochos .



Communication and addressing of concerns

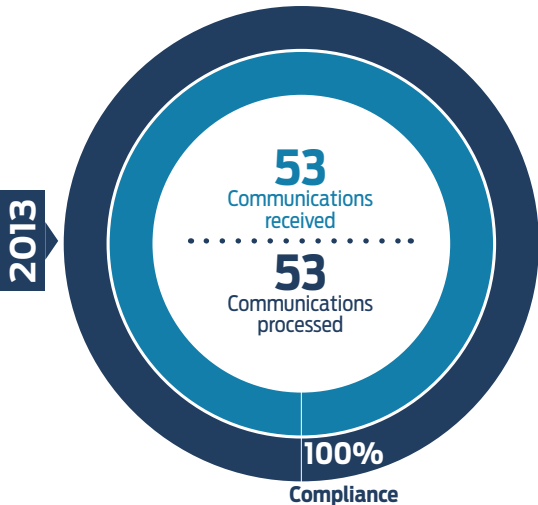
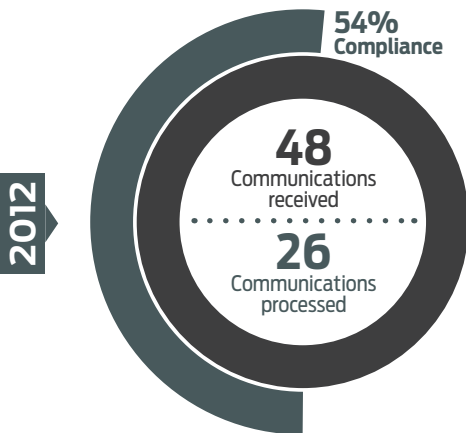
*G4-EN34, *G4-HR12, *G4-SO1

As one of our priority issues, we handle different communication channels between the communities and the Company, for Omega it is important to know all nonconformities, requests, complaints or claims (IPQR) that may be generated as a result of the projects carried out in the blocks and to be able to give answers or solutions as soon as, each block has its own measures for the addressing of IPQR, taking into account the volume of the same and the operations conducted.

In 2012 we identified in Block Buenavista the need to improve the ability to respond to the concerns received from the community; for this reason in 2013 we opened our community attention office in the municipality of Corrales, at Carrera 2 No. 7-08; the main objective of this measure was to generate greater accessibility and effective communication between the communities of the area of influence of Block Buenavista and OEG.

During 2013 the communications received by from community doubled as compared to the previous year and as a response to the need to improve evidenced in 2012 we have complied by answering to all requests that we have received.

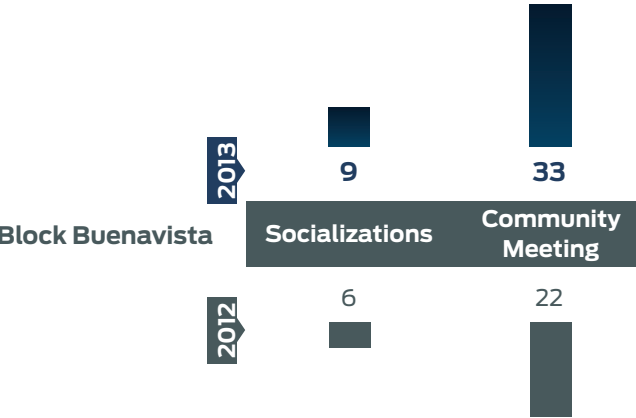
Block Buenavista



*G4-SO11

There are four requests from 2012 that are pending an answer, which will be processed during 2014; one of these was transformed in a lawsuit against OEG, which at present is managed by the Legal Management; to prevent the reoccurrence of this situation, the company has reviewed the procedure for the processing of community manifestations during 2013, because it showed weaknesses that were strengthened during the same year, allowing the positive closing of all of IPQR filed by the community in that year.

Below are summarized the different scenarios of community involvement in Buenavista:



Seven socializations were carried out in 2013 with the community of Block Buenavista, the topics discussed in them were mainly about social investments carried out during the year 2012, the management of the social investment to be carried out during 2013, the receipt of projects to be

performed and proposed by the community, the socializations of environmental management plans (EMPs) of each of the wells where operations are performed, the needs of qualified and unqualified workforce for each project.

***G4-14, *G4-SO1**

Therefore, the contingency plan for the exploratory well Yekota was socialized and we announced the three phases of the project: preoperative, operative and postoperative; we also presented the workovers performed in wells Corrales 1.1, Corrales 2, Corrales West and Corrales 4, the EMP for Corrales 5 and subsequently the socialization of the drilling of the well. It is important to mention that at these meetings on the works to be carried out at the wells, we always presented the policies of the company, our objectives, and we talk about industrial safety and took into account the concerns of the community with respect to the projects.

In 2013, the social manager of Blocks Condor and Llanos 21 was directly in charge of receiving the different types of communications, there is also an alternate communication channel for these blocks through community action groups. Respectively, we received 58 and 17 communications from the community, among petitions, letters of appreciation, requests for information, support, and assistance; under the same channel we corporately sent 100 communications from Condor and nine from Llanos 21, as invitations to socializations, requests for permission and delivery of management reports, among other.

In the initial phase of the activities in Block Condor for 2013, through the social management area we held ten socialization meetings of the projects Condor 1 and Condor 2, and two socialization meetings for Medina 1.

A proposal was presented by the communities and it turned out to be of great importance for the company: the formation of monitoring and assessment committees begun in 2013, in which we opened spaces through monthly meetings, creating new strategies and allowing the company to appreciate alternatives of improvement regarding impact assessment and management practices.

In Block Llanos 21 we performed three socializations, two corresponding to project Llanos 21 as a whole, in which we presented topics related to social investment, and one socialization specifically for the operations that would commence in wells Camacho and Rocamao.

Within our opportunities for improvement we identified the need to classify IPQRs in terms of social, environmental or other issues; while our response to the communications received successfully met the challenge raised the previous year, in 2014 we will strengthen our IPQR systematization mechanisms in order to know the behavior of our communities and identify the most relevant trends.

New impacts

We frame our activities in the socioeconomic development of the region, we seek to strengthen relationships with the communities, authorities and institutions in the area of direct and indirect influence of the operation of our blocks. OEG policies are focused on economic, social and environmental strengthening through the procurement of local goods and services for the projects, generation of local jobs, improvement of infrastructure, housing, among others.

***G4-SO2**

A social contingency occurred in Block Condor during April, just a month before the start of our operations. It arose by historical exploration events in the area and by the protests that had occurred at national level, negative and hostile attitudes of some people involved in the conflict that had an incidence in these activities. The contingency was finally solved in a peaceful manner with the community creating agreements between parties that will not affect the commencement of the company's operations.

***OG-10 (Oil & Gas)**

Recruitment of qualified and unqualified labor

There is a recruitment procedure in place in the Integrated Management System, directly related to the hiring of unskilled labor, as we prioritize the recruitment of personnel from the areas of direct influence and the region.

During 2013 we generated indirect jobs in the communities of Block Buenavista, as in the case of drivers with the completion of preventive maintenance for vehicles, the use of parking lots and the transportation of hydrocarbons.

The direct jobs generated in Bock Buenavista include the following:

- **Field Superintendent.** In charge of organizing and planning hydrocarbon production processes, taking into account their technical, human, environmental and financial components, directly in the field.
- **Field Manager.** His purpose is to ensure the normal development of field administrative and logistics activities.
- **Jr. Engineer.** Supports the Field Superintendent in planning and organization activities of hydrocarbon production processes while taking into account their components.

- **Chief of Security.** Supervises the activities of security companies in the projects of Block Buenavista, ensuring the physical safety of the people that enter the field.
- **Social Manager.** Executes the social management plan assigned to the projects and ensures the maintenance of sound relations with the communities in the areas of direct or indirect influence of Block Buenavista.
- **HSEQ Coordinator.** Performs follow-up to the fulfillment of the specific EMP of the project and the administrative acts issued by environmental authorities; performs activities related to the inspection of equipment, control and follow-up on occupational safety and health issues, and carried out the plans in the field of health, safety and environment in the locations where the company operates.
- **Electrical Mechanic.** Ensures the functionality operation of the electrical and mechanical equipment of the company.
- **Senior Production Operator.** Ensures the normal hydrocarbons production operation in field.
- **Social Assistant.** Supports the execution of the social management plan assigned to the projects.
- **HSEQ Assistant.** Supports the execution of health, safety and environmental plans.
- **Production Assistant A and B.** Support production operators in field operation activities and production reporting.

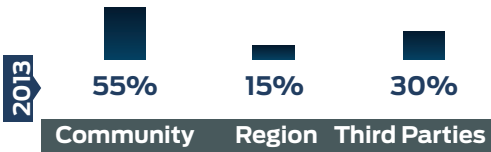
According to the profiles required by the superintendence of the block and the coordination offices of the different areas (Operational, HSEQ, Social, Safety, etc.), OEG maintains and increases the direct recruitment of qualified staff from the communities of the area of influence in the municipalities corresponding to each block. During 2013, OEG trained five people in the Diploma Course on Petroleum Operations, which with a duration of 159 hours gave the opportunity to directly contract skilled workers as staff of the company, as they entered as Production Assistants B, resulting in better work benefits.

The recruitment of 100% of the unskilled labor from the community of Buenavista continued.

*G4-EC8

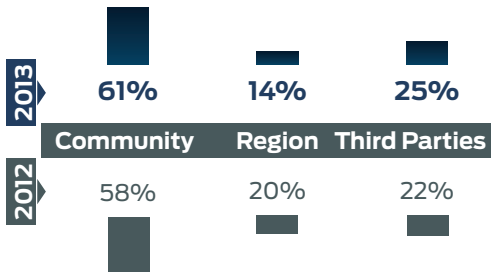
The operations started in Bock Condor caused the enrollment of most of the community in the area of direct influence and the region.

Recruitment in Block Condor 2013

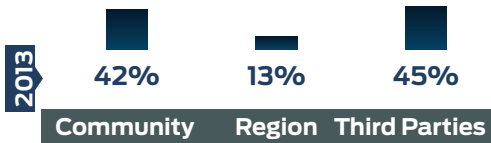


All the unskilled labor available from the community was hired in Block Llanos 21. Since it is a specific short drilling and testing project, the demand for qualified labor for specific activities (sludge engineers, MWD, directional, well site) was high, is it therefore reflected in a percentage similar to that hired in the community.

Recruitment of labor in Block Buenavista



Recruitment of labor in Block Llanos 21



The minimum salary for unskilled labor is determined according to the region of operation and exceeds the Minimum Legal Wage applicable established by the National Government.

The hiring of unqualified labor is always carried out keeping in mind the needs of the company, contractors or subcontractors, a requirement that is made to Community Action Groups, Representative's Offices and Mayoralties through a call. The company or the contractor is autonomous as to their internal staff selection and recruitment process during 2013. The selection of personnel is carried out directly by the communities, backed by Mayor's Offices. For qualified personnel, it includes professionals that meet the profile offered in operation areas.

Social Investment

We promote the development of the regions where we operate through voluntary investment lines, which are defined according to the needs evidenced by the company and the requests from the community. They can be materialized in the projects executed throughout the area where we operate; OEG has strategic investments and specific community projects that are previously arranged according to the needs of each community, allowing us to strengthen sustainability strategies and significant social practices.

In consensus with the communities and local authorities of Buenavista, it was requested to generate at least one project of significant impact per year, without any need to distribute our investment in the lines mentioned above.

Our Integrated Management System has a procedure in place to carry out social investment projects; It is important to hold meetings with community leaders, local authorities and the community in general, in which we learn of the needs expressed by the community itself, the projects to be executed and the investment items to be socialized according to the relevance are agreed upon therein.

Social investment is given to the communities of the areas directly influenced by the project. The percentage and/or item of Social Investment are allocated according to the production obtained in the development of projects; our contributions are not given in cash money but in specific community projects.

Buenavista

In 2013 in Buenavista we delivered 300 school kits for the municipalities of Topaga and Corrales, trainings were also held in Compost, Microbial Soup and Worm Culture for the inhabitants of the towns of Modeca and Corrales and the inhabitants of the village of San Juan de Nepomuceno.

We delivered 70,000 books for the Colombia program to which the company is linked and fulfilled with the delivery of the same to the libraries of municipal schools in Topaga and Corrales; this donation of educational materials was carried out through the acquisition of copies with Fundación Libro por Libro, the purchase of the books was made in Spain and seeks the bibliographic enrichment of two schools in Topaga, the Municipal School and the of the Culture of Corrales, for the children of the community to have access to excellent quality academic books.

From 2012 Omega evidenced the need to create spaces for conversation with the Mayor of Corrales in order to reach agreements that will benefit the community; the first agreements were held in 2013 with the Mayor's Office by concentrating most of its social investment resources in infrastructure and basic sanitation. The main agreements signed corresponded to social projects for Housing Improvement, "Construyendo Sueños con Omega," in which we delivered 100% of the materials to benefit families who previously had properties in the town of Modeca and Corrales and which the Mayor's Office supported with the design; in July we delivered 12 health and housing units.

The project for the relocation of the homes in Portachuelo that were close to the main transit road of tank trucks was conducted in December 2013; the proximity of which affected the dwellings and for that reason it was agreed to relocate them in such a way that allowed the expansion of

the road and the improvement of houses; the project was carried out by the Interinstitutional Agreement of Wills No. 1 between the Municipality of Corrales and the company Omega Energy, in which it was agreed that the company would provide the design and resources for the construction of houses with every habitability condition. The beneficiaries of this project are the neighbors of the property. The relocation of the houses in Portachuelo advanced during 2013 culminating with 80% of the whole project; the keys will be delivered in 2014 in accordance with civil works projections and a final delivery with the expansion and paving of the sector is projected.

***G4-EC7**

Culture, recreation and sports are relevant areas for the development of the region, as they strengthen the ties in the spaces created for this purpose. During 2013, Omega contributed with the uniforms of the Municipal School Band of Corrales, promoted the event Mining Skills in Topaga, and as an incentive to sports, delivered sports sweatshirts and sweatpants for the team "Corraleños." We also contributed with the investment for the project "Paisajismo del sector Vado Castro," in the municipality of Topaga, a project that initiated in 2012 given the importance of the sector because it communicates Sogamoso with the municipalities of Topaga, Mongui, Mongua, Gameza, Corrales and the central north highway; the project sought the cofinancing of the Government, for this reason an agreement was reached between the three parties involved: the Mayor's Office, the Government and

OEG, in which each player performed their respective role. In our case we assumed 10% of the work, represented by the design, construction of bays, landscaping and recovery of the town Vado Castro.

The Company is carrying out efforts in the area of direct influence of Bock Buenavista from 2011; the intention is for the community to see Omega as a partner, capable of contributing to the development of the region. Under this intention, the Group provided resources to support the specific needs that were requested by the Mayoralties of Corrales, Topaga, Nobsa and Sogamoso, regardless of the social investment contemplated for 2013.

For December, OEG contributed with the Christmas celebration, delivering gifts to children in the community of the town of Modeca, Corrales and Topaga.

We started general trainings in the New General Royalty System and provided advice to Mayoralties to propose projects for the municipalities of Mongui, Mongua, Corrales, Gameza, Nobsa, Busbanza, Topaga, Paratebueno, San Luis

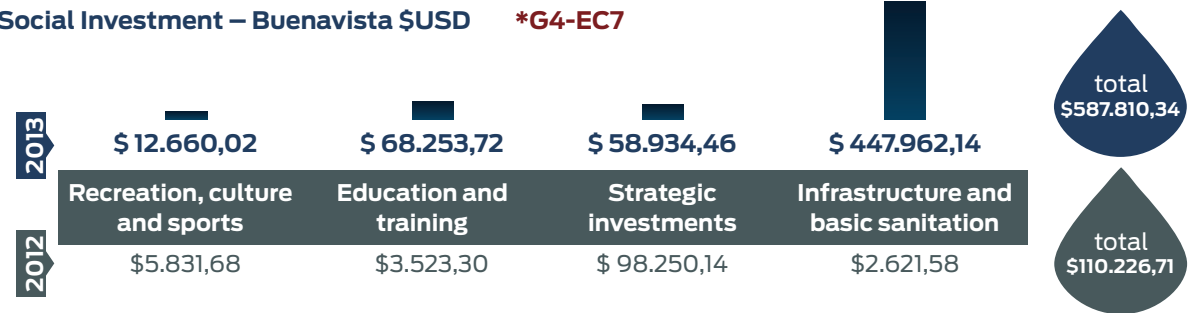
de Gaceno, Trinidad Casanare and Sogamoso, for our communities to have access to the royalties of the region through the proposal of projects that generate development.

These trainings are part of our strategic projects, they have been focused on generating support to the community in the management of royalties, through professional training, advise and consultancy, supporting the municipal planning secretary's office and the Mayoralties in the formulation of projects aimed at the management of royalties. The main objective is to achieve, through community representatives, the submission of projects that promote development and that the necessary resources are obtained; we have worked with the company Garcia Valderrama Dueñas Asociados S.A. GVD, which has qualified personnel to advise this initiative.

***G4-SO1**

We evidence the materialization of the social investment that we make in each of the communities in our area of influence in numbers; we are in a constant search of improvements and contributions to the community, always with clear development objectives.

Social Investment – Buenavista \$USD ***G4-EC7**



Condor

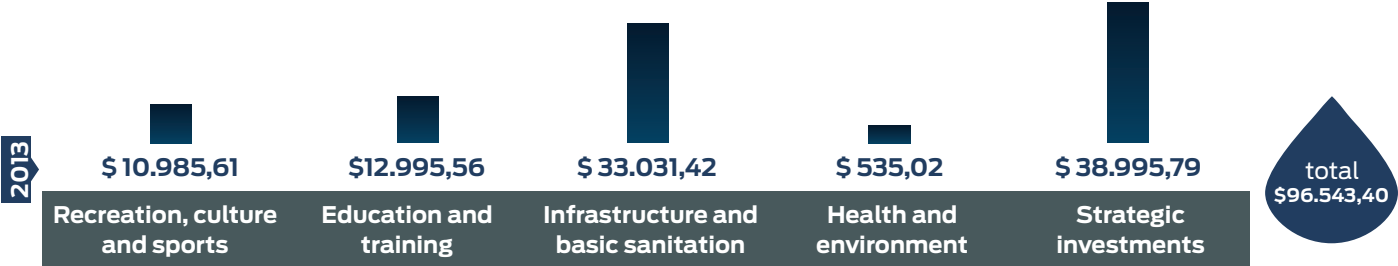
In Condor we support the logistics in the training of the National Police (PONAL), focused on Road Education, aimed at children and adolescents from the educational institutions of Horizontes, Caño Grande, Guamal, Guamalito, Monumento, La Mesa and Palmeritas, in order to prevent the occurrence of incidents or accidents on the roads. We likewise support the training in “Red Unidos,” focused on healthy eating and savings, with the aim of improving food quality, promote self-management, banking and savings. Encouraging the working force in the community, Omega supported the training in food handling Red Unidos-SENA, allowing the attendees to gain experience that would allow them to apply for new job opportunities.

One hundred percent of the community mothers that are part of the program “Hogares ICBF” were trained for them to have higher education quality in the early childhood.

Social investments were carried out in the towns of La Mesa, Monumento, Guamalito and Guamal, in the framework of the six investment lines of the company; these investments consisted of the delivery of materials for the improvement and extension of aqueducts, improvement of storage tanks of the existing aqueducts, maintenance of road networks, construction of community kitchens, construction of a community pen, improvements in computer rooms, remodeling of schools and the eradication of weeds from crops, among others. All of these activities are aimed at improving the quality of life of the inhabitants of each town, promote education, facilitate access to new technologies, reduce child mortality and contribute to the improvement of the health of the mothers in the community.

Our monetary investments in this block are summarized as follows:

Social Investment 2013 - Condor \$USD ***G4-EC7**



Llanos 21

In Llanos 21 we focused on road infrastructure and minor civil works, by investing in the maintenance of the road that leads from Rocamao station to Primavera station (the latter corresponds to the company Lewis), benefiting the inhabitants of the town Los Chochos and road users. Similarly, with the investments in road maintenance we benefit the community of Trinidad, the urban area and neighboring municipalities.

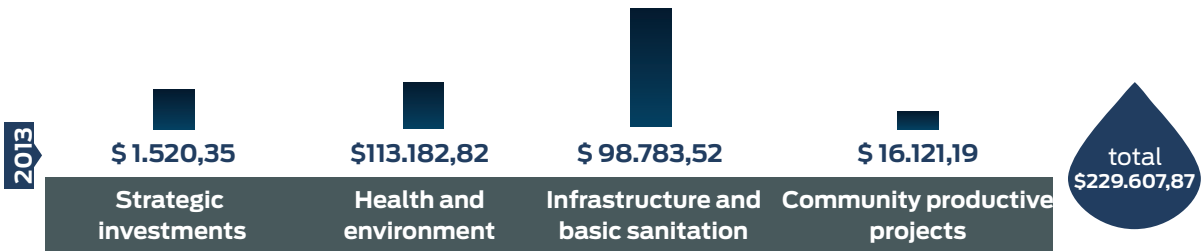
We support the investment line in recreation, culture and sports through the delivery of materials for the construction of walls and enclosures for the sports center of the town of Guamal, to promote sports and recreational events; promotion and sponsorship to the female basketball team of the educational institution ‘San Luis de Gaceno,’ and provided materials for the commemoration of the culture week and the birthday number 50 of that institution.

A “Summer Plan” was carried out, which consisted in carrying out permanent irrigation in the access road from Trinidad to the town of Los Chochos, in association with the company Lewis which supplied water, Omega assumed the transport for irrigation with the objective of reducing the effect on air quality due to the transit of vehicles. For the execution of this project \$113,183 USD were invested, corresponding to 241 transportation services for irrigation. An investment was also made in nutritional matters for livestock; by generating an alternative food for animals, grazing in areas near the main road is prevented as well as the pulmonary effect of consuming grass with dust particles.

We support the school of the town of Los Chochos by performing maintenance and repairs to the power plant.

Our social investment in Block Llanos 21 in 2013 was:

Social investment 2013 - Llanos 21 \$USD *G4-EC7



Our Challenges for 2014

Buenavista

1. To continue strengthening the ability of communities to provide responses, differentiating those representing social impacts to the community.
2. To implement and channel the recruitment of qualified staff through the Employment Promotion Office of SENA taking into account the personnel in the areas of direct influence as a priority.
3. To implement and execute self-sustaining productive projects with communities in the area of direct influence, allowing the community to have other sources of revenues.
4. Within the framework of our social-environmental responsibility, we will carry out the inventory of water resources within the areas of direct influence of the projects, in order to contribute to their future conservation and preservation.
5. To encourage the participation of the community in contingency plans.

Condor

1. To provide and project possible commitments to be assumed with communities in order to optimize the fulfillment of the same in the shortest possible time.
2. To establish standards for the evaluation and control for the Royalty Management Project in Condor, Buenavista and Llanos 21.

Relevant Issues

Optimal operational and financial performance

Increase in
production

148.659
Barrels

Increase in
sales

40.73%
Thousand USD
\$23.698

Ebitda

\$39.854
2013 USD

Investments
Capex

Usd \$17.849
Drilling, infrastructure,
facilities

Financing

Usd 46 million
Ups Credit agreement

Afluente del río Apaporis, Vaupés, Colombia

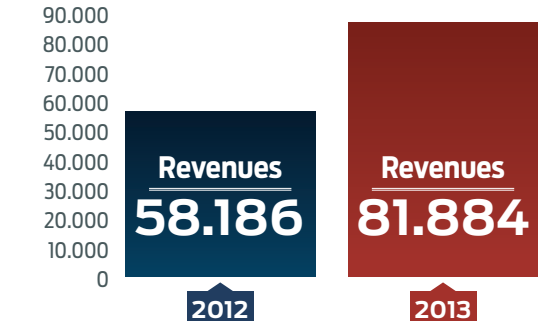
Financial Performance

Economic value created and distributed			
	USD Thousand		
Economic value created	2012	2013	Var %
Revenues	58.186	81.884	40,73%
Economic value distributed	2012	2013	
Operating costs	16.883	29.570	75,15%
Total salaries and social benefits to employees	2.913	3.828	31,41%
Taxes	2.552	5.106	100,08%
Royalties	5.224	6.733	28,88%
Community investments	181	914	404,95%

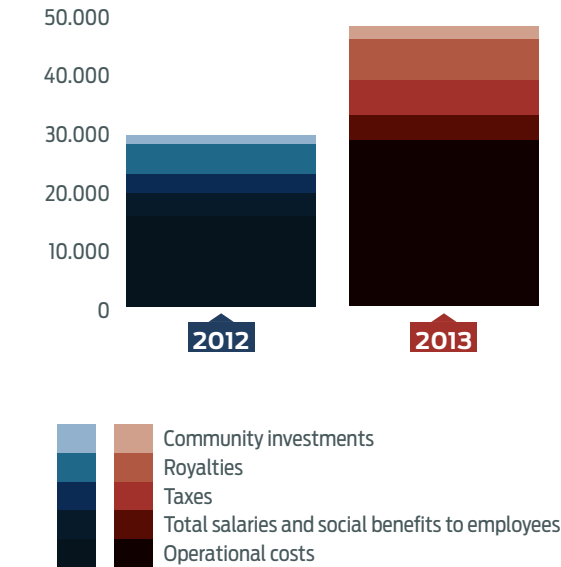
*G4-8, *G4-EC1

The average 2013 price of WTI crude oil of USD 98 was used for the calculation of the value of the royalties, according to figures reported on Ecopetrol's webpage.

Economic value created, USD Thousand



Economic value distributed, USD Thousand

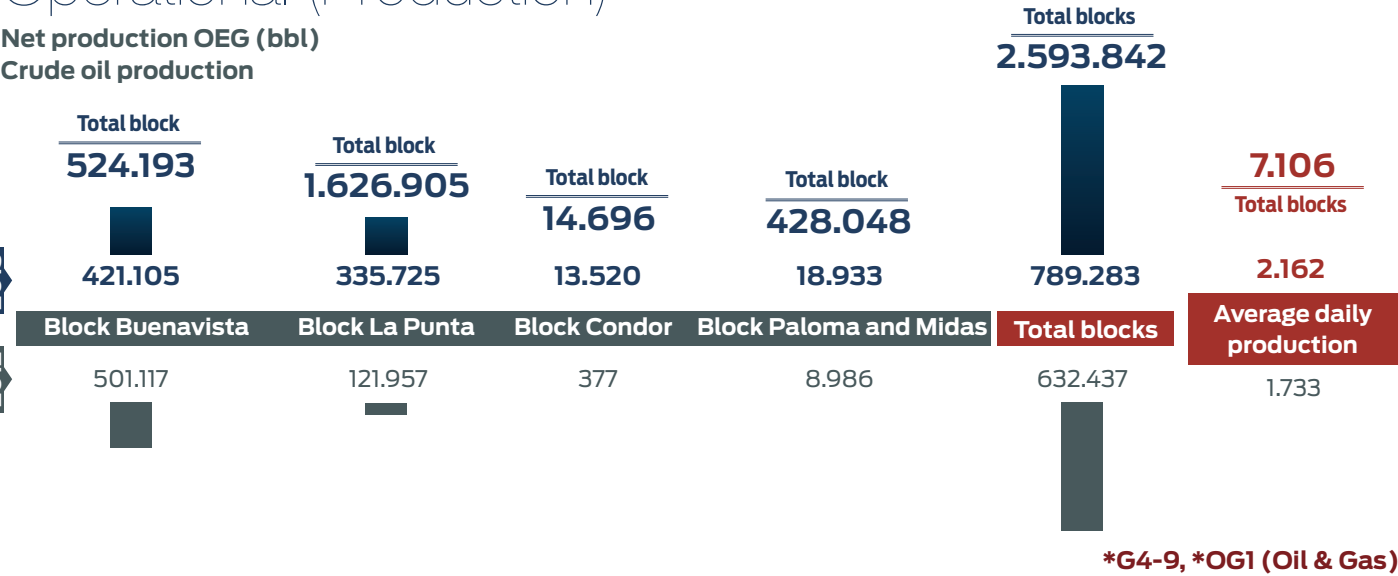


Main indicators as of December 31			
	2012	2013	Var %
Barrels sold [bbl]	632.062	780.721	23,52%
Current assets	38.302	64.855	69,33%
Non-current assets	218.105	222.273	1,91%
Total assets	256.407	287.128	11,98%
Current liabilities	51.943	97.844	88,37%
Non-current liabilities	50.248	51.961	3,41%
Total liabilities	102.191	149.805	46,59%
Equity	154.216	137.323	-10,95%
Revenues	58.186	81.884	40,73%
Operational profits	29.495	6.695	-77,30%
Liquidity indicators	2012	2013	
Working capital	-18.931	-32.989	74,26%
Current ratio	0,74	0,66	-10,11%
Acid test ratio	0,52	0,66	27,47%
Indebtedness indicators	2012	2013	
Indebtedness	35,00%	52,17%	49,07%
Profitability indicators	2012	2013	
Operative margin	54,00%	63,00%	16,67%
ROA	9,00%	2,46%	-72,63%
ROE	15,00%	4,59%	-69,38%
EBITDA	31.529,00	39.854,00	26,40%
EBITDA margin	54,20%	43,00%	-20,66%

*G4-9

Operational (Production)

Net production OEG (bbl)
Crude oil production



Drilling and workover operations 2013						
	Wells in Exploratory Phase	Wells in Development Phase	Wells in Evaluation Phase	WO Evaluation Area	WO Sole Risk	Stratigraphic Wells
Block Buenavista	0	Yekota 1 Bolívar NW1	Corrales 5	Wo Corrales 3 Completion Corrales 4 Completion Corrales 2	0	PE-S-3 PE-CO-4
Block Condor	0	0	0	0	Medina 1 Córdor 1 Córdor 2	0
Block Llanos 21	Rocamao 1 (Abandoned) Calacho 1 (Suspended)	0	0	0	0	0



Reserves

Block Buenavista [Bbl] ***OGI (Oil & Gas)**

Oil [MBBbl]	1P	2P	3P
	8,70	14,86	27,47
Gas [MMcf]	1P	2P	3P
	9,90	14,16	19,97
Barrels of Oil Equivalent [Mboe] **			
1P	2P	3P	
10,44	17,34	30,97	

** ** Conversion factor to BOE from 5.7 Mcf:1 Bbl
Reserves according to internal calculations

CAPEX 2013 USD				
Block	Drilling & completion	Facilities and infrastructure	Seismic and others	Total
Buenavista	\$ 10.796	\$ 215	\$ 482	\$ 11.493
Condor	\$ 4.329	\$ -	\$ -	\$ 4.329
La punta	\$ 337	\$ 1.419	\$ -	\$ 1.756
Others	\$ 232,40	\$ 23,73	\$ 11,87	\$ 268
Total blocks	\$ 15.694,40	\$ 1.657,73	\$ 493,87	\$ 17.846

Capital investments in 2013 corresponded to:

1. Drilling of three exploration wells, geology studies, drilling of stratigraphic wells, workover and production facilities in Block Buenavista.
2. Construction of production lines, expansion of production facilities at Block La Punta.
3. In Block Condor workover was carried out in the wells Condor 1 and 2 and Medina.

RELEVANT
issuesHigh Health and Safety
Standards

Relevant Issues

High Health and Safety Standards

The management commitment to health and safety is outstanding and is evidenced by maintaining an Integrated Management System under the standards ISO 9001, 14001 and OHSAS 18001 since 2008. The system is based on continuous improvement and the search for safe habits to raise awareness among visitors, direct and indirect contractors, to reflect our real commitment to physical and operational integrity.

When we speak of an integrated system that includes health and safety, it is necessary to mention that occupational health is divided into three pillars: Preventive and Work Medicine, Industrial Hygiene, Industrial Safety and Occupational Health, achieving

synergies towards the same objective: avoid work-related accidents and diseases.

This chapter presents the most outstanding achievements and challenges of our management:

Cachivera Aracapuri, Vaupés River, Vaupes, Colombia.

Preventive and Work Medicine.

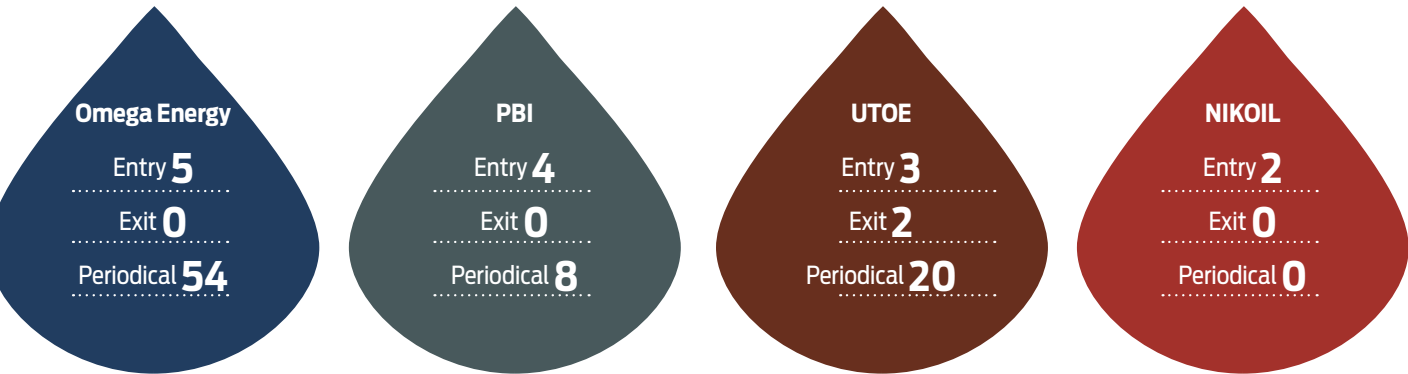
Its purpose is the promotion, prevention and control of the health of employees with regard to occupational risk factors. Different activities were carried out during 2013 for the achievement of this goal.

Entry, periodical and retirement occupational medical examinations

Each activity has different risks, for which a profession chart has been designed according to the position and type of risk, in order to have an appropriate medical opinion of the health of workers at the time of entry, with annual examinations and finally to ensure that in the event of re-

tirement, workers are on the same or better health conditions than those under which they entered the company.

The following occupational medical examinations were carried out during 2013:



Epidemiological Surveillance Activities (PVE)

They are programs designed to assess and control diseases related to occupational risk factors identified; this year the Organization successfully developed activities in each of the programs, in order to strengthen the prevention and minimization of risks of work-related accidents or diseases.

PVE - Musculoskeletal	PVE – Public Health	PVE – Cardiovascular	PVE – Psychosocial Risk
Active breaks (twice per week).	Anti-smoking campaigns.	Examinations.	
Physical anti-spasm therapies (once a week).	Awareness rising in health issues.	Paraclinical examinations of lipid and blood sugar profiles.	Application of the battery of the Ministry of Labor.
Ergonomic inspections (once a year).	Vaccination sessions (tetanus, yellow fever, influenza, HPV).	Nutritional screening, body mass index (BMI) and weight.	Development of skills in effective communication.
Training in “healthy workplaces.”	Assurance of the “Prevention of alcohol, drugs, tobacco and other psychoactive substances” policy.	Training in healthy eating habits.	Development of skills in stress management and control.
		Promotion of sports with participation in internal and external championships and sports Olympics.	

It is noteworthy that:

The vaccine against the human papillomavirus was included for the first time for the entire female population (32 women).

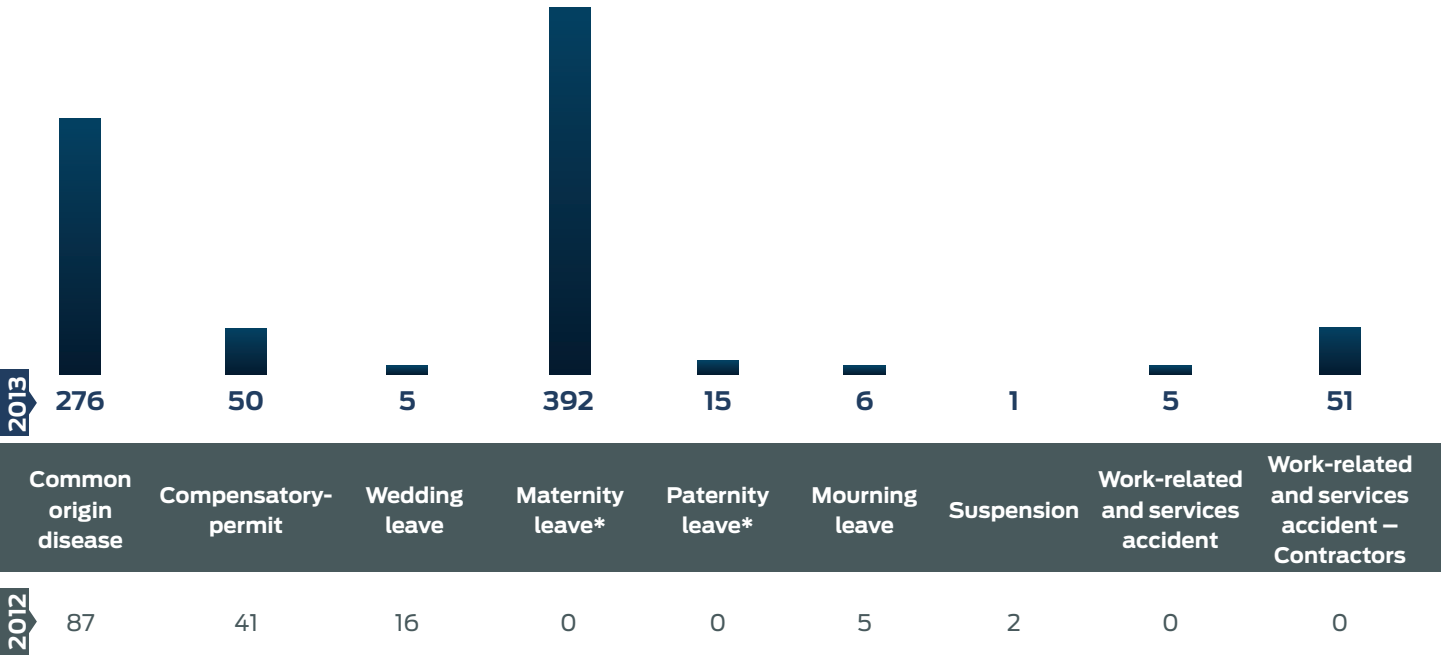
As a result of the application of the battery of the Ministry of Labor to assess psychosocial risk, questionnaires for the evaluation of stress, non-labor psychosocial factors and intra-labor psychosocial risk factors were included, having as result a “Low Psychosocial Risk” at organizational level. A preventive psychosocial risk program has been implemented and is associated with institutional wellbeing programs.

Monitoring of Absenteeism.

The factors that cause absenteeism are subject to statistical monitoring in order to identify occupational health behaviors of workers to make timely decisions and implement preventive actions for the exposure to occupational risk factors, which allow minimizing this phenomenon and its impact on the organization.

The following table shows the days lost by different types of absenteeism in these two years, a significant increase is observed in 2013 as a result of maternity leaves. Regarding common origin disease, it is observed that these increased in approximately three times due to a series of 30-day disabilities that prolonged due to the fracture of a lower limb of a worker.

Concept of Absenteeism



*4 employees who took maternity leave and 2 who took paternity leave returned to work after the leave had ended.

*G4-LA3

Industrial Hygiene.

Industrial Hygiene is the science of the anticipation, identification, evaluation and control of the risks that arise in the workplace or in relation to it and that may put at risk the health and wellbeing of workers; its fundamental objective is to protect and promote the health and wellbeing of the same, as well as to protect the environment in general.

To meet this goal, during these last two years the organization has continued to make following these measurements periodically:



Lighting studies in workplaces



Thermal comfort



Noise study

In the noise study of Block Buenavista 16 samples were taken, of which 81% corresponded to low exposure and 19% to critical exposure; Pegasus Blending International (PBI) took five points of which 60% correspond to low exposure and 40% to critical exposure. Notwithstanding the foregoing, the attenuation caused by personal protection elements (earplugs) and the time of exposure are taken into account, the level of risk corresponds to low exposure and the organization is within the allowable limits.

In each of the blocks we have teams specialized in the measurement of gases, which show us the permissible parameters in terms of: benzene, toluene, ethylbenzene, xylene, BTEX - methanol, particulate matter, inhalable fraction and breathable fraction. These measurements are taken daily to ensure work in a permissible environment and no negative impacts to the health of workers.

There is a calibration program of own equipment in place to ensure the effectiveness of these measures and external third parties are requested to calibrate all the equipment used to carry out such studies and measurements in accordance with the specifications of the manufacturer.

Industrial Safety and Occupational Health

This subprogram is responsible for establishing and developing general guidelines for the management of risks in the development of our industrial activities; its purpose is to prevent work-related accidents and diseases.

Taking this concept as a reference, it is possible to observe below OEG's safety indicators during these last two years.

With respect to the previous year it is observed that the accident rate was affected by a non-disabling accident in Omega Energy and UTOE, this significantly increased the rate of accidents of contractors, generating an alert inside the organization, which will implement HSE controls stricter than existing with the aim of reducing work-related accidents and incidents.

Then accident indicators can be:

	2012				
COMPANY	INDICATORS				
	IF	IS	ILI	IFA	IA
UTOE	0,0	0,0	0,0	0,0	0,0
PBI - LA PUNTA	0,0	0,0	0,0	0,0	0,0
OMEGA ENERGY	0,0	0,0	0,0	0,0	0,0
CONTRACTORS	0,0	0,0	0,0	1,0	1,2

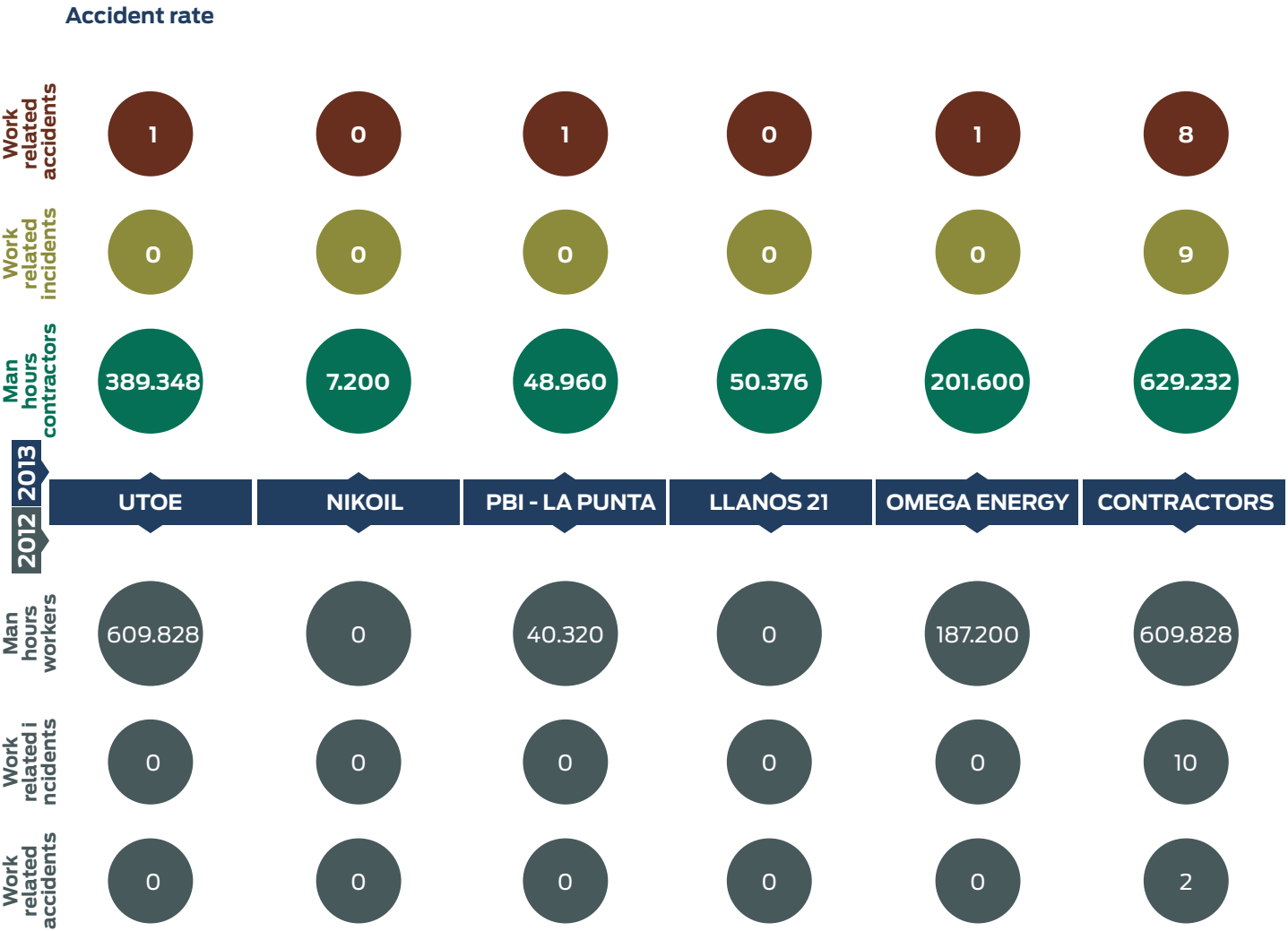
	2013				
COMPANY	INDICATORS				
	IF	IS	ILI	IFA	IA
UTOE	0,0	0,0	0,0	0,0	4,0
NIKOIL – CÓNDOR	0,0	0,0	0,0	0,0	0,0
PBI - LA PUNTA	0,0	102,1	0,0	0,0	5,9
LLANOS 21	0,0	0,0	0,0	0,0	0,0
OMEGA ENERGY	0,0	0,0	0,0	0,0	1,4
CONTRACTORS	9,5	81,1	0,8	0,0	3,6

IF= Frequency Index; IS= Severity Index;
ILI= Index of Disabling Injuries.
The constant K= 1,000,000 is used and corresponds to 1,000,000 hours worked

The following must be noted according to these values from the previous year:

- No processes for work-related diseases were reported or initiated. ***G4-LA7**
- The disabling accident rate of contractors was very high, affecting the indexes with respect to the previous year.
- No fatalities occurred during 2013, neither of the company nor contractors.

***G4-LA6, OG13 (Oil & Gas)**



¿What actions have we adopted to prevent accidents?

We begin with the identification of hazards in each one of the activities developed, of which high risks emerge showing us where we must establish controls (Administrative / Operative) to avoid them materializing and becoming accidents.

For this purpose we have developed the following activities:

Drills

It is an activity that mimics a real event to take the necessary safety measures should it occur; a script is previously prepared, participants are advised and the awareness on the emergency plan and its importance is raised, then the reaction to this activity is assessed and an action plan is carried out with the opportunities for improvement that have been identified.

Below is shown the increase in drills over the previous year, which were carried out with the support of contractors and emergency brigades from each of the projects.

TYPE OF DRILL / AMOUNT	2012	2013				
	Buenavista	Management	Buenavista	La Punta	Condor	Llanos 21
Fire outbreak				1		
Rescue of injured persons				1		
Spillage of hydrocarbons in continental waters				1		
Medical emergency - first aid	1		2		4	1
Well stoppage with medical evacuation	2		2		1	
Transfer of victims					1	
Well stoppage with evacuation of staff					1	
Evacuation		1			1	1
Evacuation by earthquake	2		2			
Rescue from heights		1				
Evacuation under pressure			2			
Presence of H2S			2			
Environmental Contingency			3			

Safety inspections

Inspections are systematic observations to identify the hazards, risks or unsafe conditions at the workplace that otherwise may be ignored. It is possible to observe below the types of inspections that we carry out for this purpose:

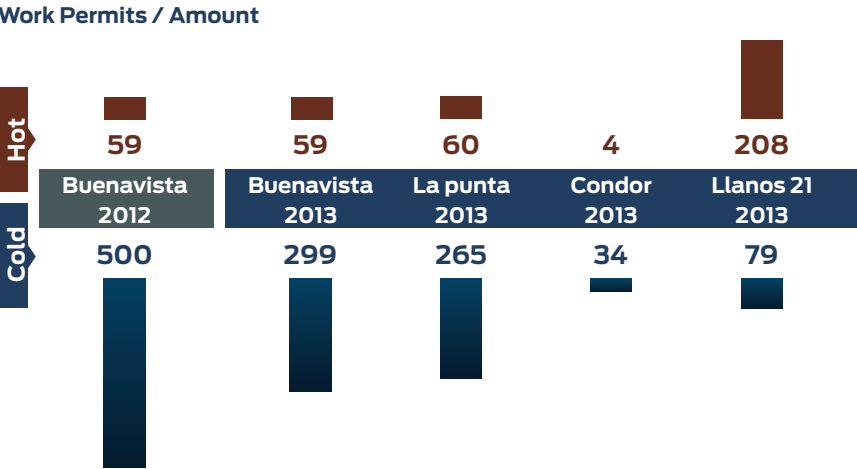
Type of Inspections / Amount	2012	2013			
	Buenavista	Buenavista	La Punta	Condor	Llanos 21
Administrative – Order and Cleaning	12	10	3	-	-
Operative	-	-	3	-	-
Safety harness	12	12	36	48	12
Personal protection elements	-	6	5	-	-
First aid kit	12	12	8	12	7
Fire extinguishers	12	12	9	12	11
Stretcher	12	12	2	-	-
Station – Eye bath	-	-	1	-	11
Standpipes	-	-	12	-	-
Heavy vehicles for the transport of crude oil and water	2199	1190	88	96	46
Light vehicles	29	50	-	-	24
Tools	12	14	-	24	-
Drilling machinery / equipment	5	4	-	12	11
Environmental emergency kit	-	1	-	12	5
Environment	6	6	-	12	-
Ambulance	-	-	-	-	12
Managerial	1	1	-	-	-
Industrial safety	12	12	-	-	-
Access roads	6	6	-	-	-

It is possible to evidence a significant increase in inspections due to the strengthening of the HSEQ area of Pegasus Blending International in field La Punta and the alignment to Nikoil's integrated management system in field Condor.

Work permits

It is a written authorization and approval that specifies the location and the type of work that will be performed. It is filled out for critical activities. In addition, permits certify that hazards have been assessed by trained persons and that the necessary protection measures have been taken so that the worker performing them does not suffer any accident. This information is reflected in the “Safe Work Analysis” (ATS) which are attached to these permits.

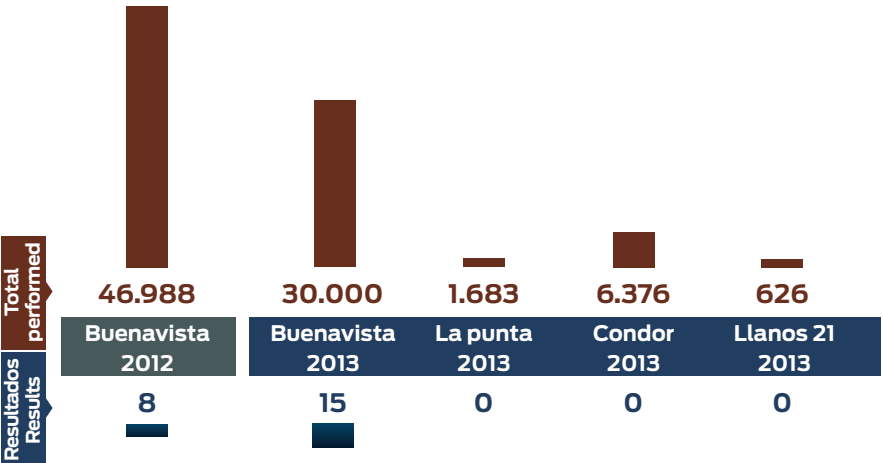
This information helps us visualize the amount of critical works that have been performed corresponding to those involving work permits; for other critical tasks such as works at height, confined spaces, presence of hazardous energies, ionizing radiations and excavation, the same risk analysis is performed but records of “Support Permits” are generated.



Blood alcohol level tests

Supporting the Policy for the Prevention of Alcohol, Drugs, Tobacco and Other Psychoactive Substances included in the Public Health PVE, blood alcohol level tests are carried out to any person upon entry into each of the fields in order to ensure the integrity of workers, visitors, contractors and all those related to the operation; an “Informed Consent” was included in 2013 for this process, a document that states that the worker or visitor is aware of the objective of this test and agree to perform it as many times as he/she enters the field or when deemed necessary by the Organization.

Blood alcohol level tests



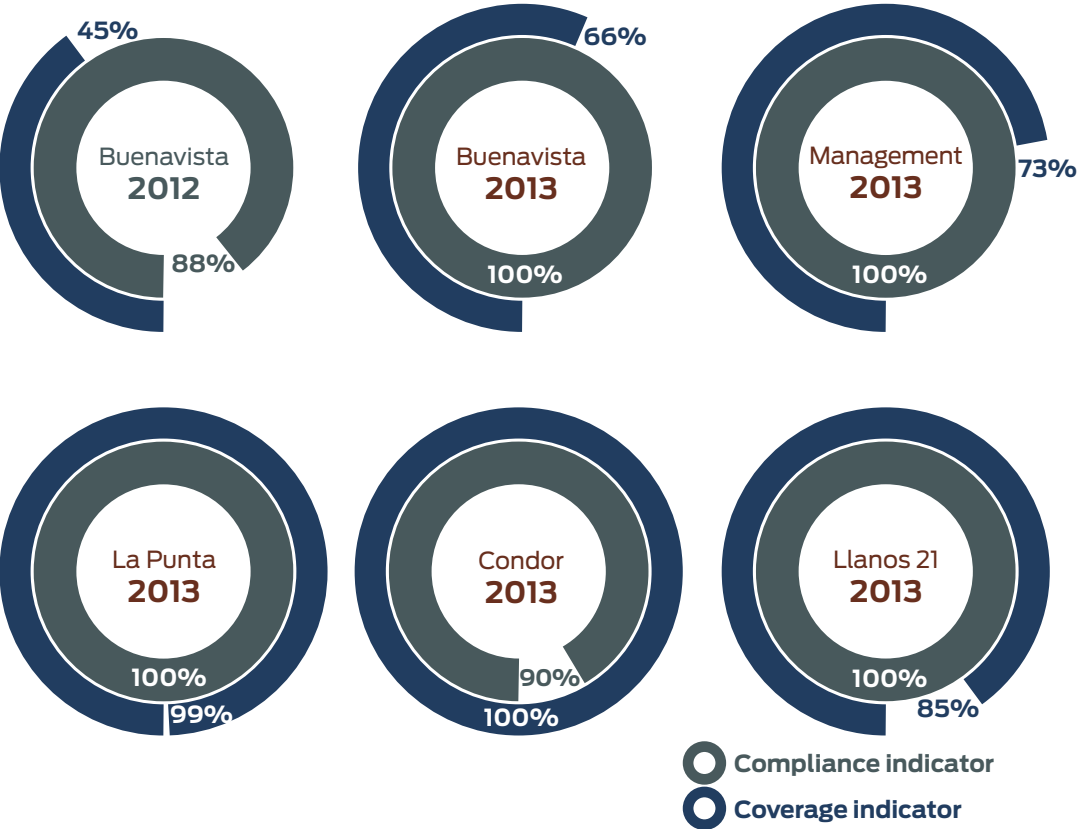
For 2013 it is possible to note that the number of positive tests increased in Bock Buenavista with respect to the previous year. It should be noted that positive tests correspond 100% to contractors. Thereupon by 2014 will have the challenge of reducing these numbers, ensuring greater coverage by contractors in prevention campaigns.

Training in HSE

The training necessary in HSE issues is established each year and the performance thereof is monitored. The training in RIG-PASS, safe work at heights course, defensive driving and the program “Click”, supporting virtual training, excelled during 2013.

The following table shows the significant increase in training with respect to the previous year and the inclusion of new blocks, showing a comprehensive training plan covering all employees and workers from other companies or with a service agreement for the development of our activities.

Training



Daily preoperational talk program

This activity has a duration of five minutes and it is always performed at the beginning of each shift or working day and its objective is to raise awareness among workers in the different scenarios that may occur and how can we stay alert to prevent their occurrence or in some cases include lessons learned from incidents in the sector.

Management Programs

Management programs are intended to avoid or mitigate accidents or risks assessed as “High” and are preventive in nature, the following are included between those developed during 2013:

ROAD SAFETY PROGRAM:

Directed 90% to suppliers that provide vehicle services especially for the transportation of personnel, which consists of a vehicle inspection and preventive maintenance follow-up program, road campaigns and a compulsory defensive driving course given once a year by the Organization.

HEIGHT PROGRAM:

Height risk is considering high, therefore in support of the Colombian legislation, every worker who performs works in places with a height exceeding 1.50 meters must be included in this program, which consists of training in the safe work at heights course advanced level, annual retraining, special medical examinations for this work and periodic inspections of the equipment used for such works.

Generation of culture

On safety issues, the main obstacle is the resistance to change and the generation of culture; thereupon the organization develops measures that so far have been effective because they have involved each of the direct employees and contractors throughout the year, excelling in:

REPORT OF “CONTRIBUTION” CARDS:

This tool has been implemented and its purpose is for each worker to identify both occupational and environmental unsafe conditions and actions observed in the development of their work; in addition to this includes the possibility of reporting whether improvements to processes have been identified. Contributions are deposited in mailboxes strategically located in each of the fields and are reviewed by the Joint Occupational Health Committee (Copaso) every month, which decides whether to accept or refuse the contribution in terms of viability and in the case of the improvement in processes, the card or the contribution is addressed to the corresponding for the respective evaluation.

*G4-LA16

Contributions / Block	2012	2013				
	Buenavista	Buenavista	Management	La Punta	Condor	Llanos 21
Total reported	39	72	17	37	3	10
Opened	12	15	0	2	0	1
Closed	19	54	17	35	3	9
Rejected	8	6	0	0	0	0

It is possible to observe that from one year to another this tool has gained momentum and is reflected in improvements to premises, culture, environment and processes.

JOINT OCCUPATIONAL HEALTH COMMITTEE (COPASO):

It is necessary to ensure the fulfillment of annual HSE programs and schedules and the efforts of each worker either indirectly or through contribution cards, for which a Copaso has been created in each block composed of an equal numbers of representatives of the employers and workers, who meet every month and in addition provide support through inspections and investigations of work-related accidents.

*G4-LA5

AUDITING PROGRAM: It is necessary to conduct a critical and systematic review of each one of the processes of the Integrated Management System and how is it implemented in each of the blocks, as well as the alignment or the minimum requirements of this system by critical suppliers; an auditing program was developed during 2013 for this purpose, which included:

- **Internal audits:** In the search of growth and opportunities for improvement, Energy Omega and

Pegasus Blending International (PBI) were audited.

- **External audit:** Carried out by the certifying body Bureau Veritas: The commissioning of the Integrated Management System was evidenced by the Zero Nonconformities found in Omega’s system and a positive certification opinion was generated for Pegasus Blending International (PBI).
- **Third party audits:** We were audited by the National Hydrocarbons agency (ANH) in Block Llanos 21, from March20 to 22; six findings were found by contractors, corrective and preventive measures were taken and the action plan was successfully closed. In Block Buenavista on February 14 and 15, the ANH closed the action plan opened in the previous year with 11 opportunities for improvement.
- **Contractor assurance audits:** Six audits were carried out during 2013 in Block Buenavista to critical suppliers and five follow-up visits were conducted to the action plans raised the previous year.

*G4-LA16

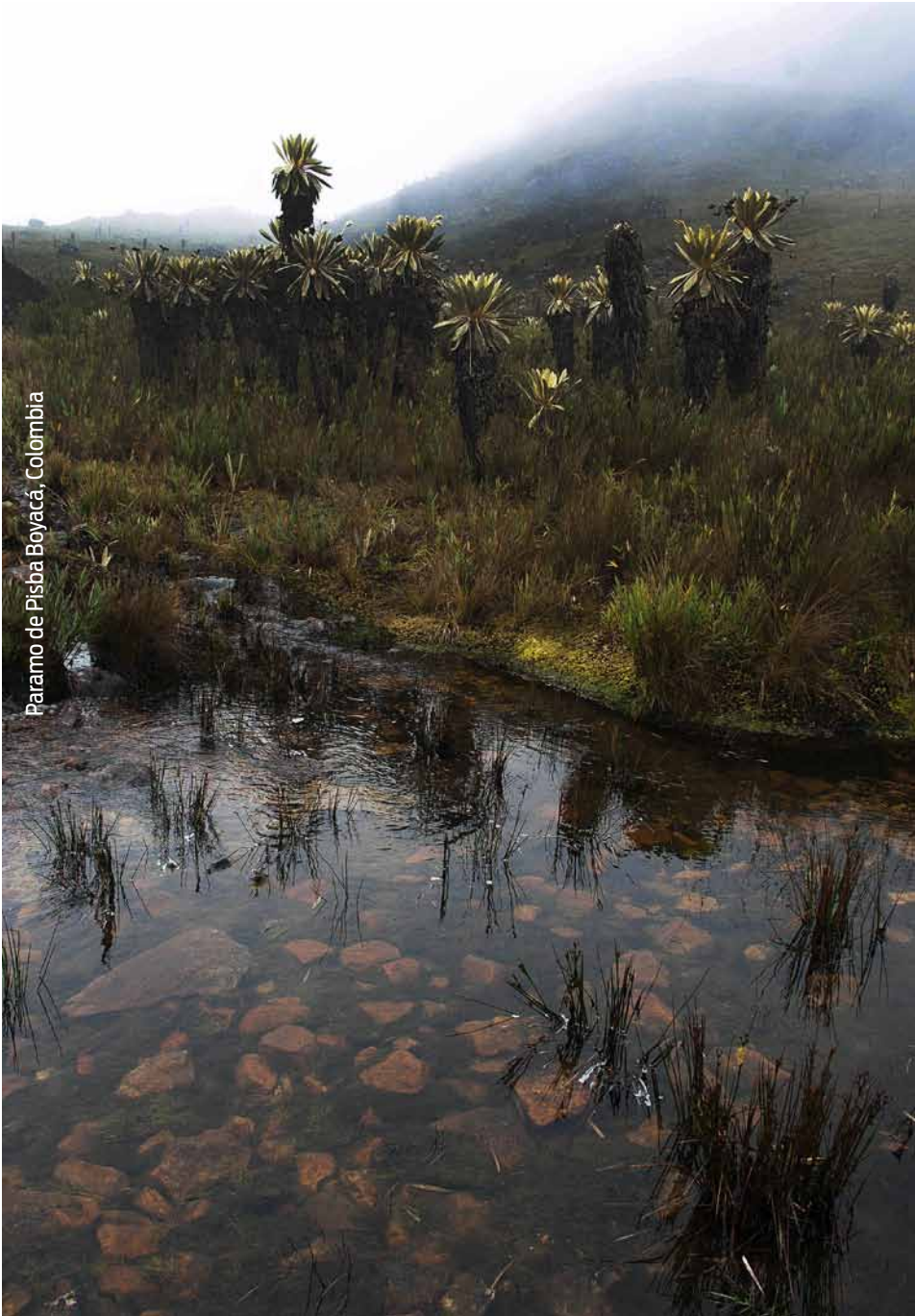
For greater detail refer to the chapter on Sustainability of the supply chain.

OCCUPATIONAL HEALTH WEEK (SEMANASO):

The “SEMANASO” has been established from this year. It is a week directed to the entire working population, contractors and visitors participating during the development of activities. The activities from the different occupational health subprograms mentioned in the course of this chapter are included.

▪ **HSE incentive and recognition program:**

This program was launched this year at the opening of the Occupational Health Week, which is based on an educational methodology involving the encouragement and recognition of the active participation of the individuals linked to the organization (workers/ contractors) in the performance of the activities established for compliance with the Integrated Management Policy. It has three major awards (Emerald, Ruby and Diamond) and minor recognitions for the segments of the program in each of the categories included, thus fostering a culture of work under a scheme of greater commitment to the objectives set. This program is reflected in each of the blocks with the aim of achieving unity and homogeneity in OEG. The awards ceremony will be held at the closing of the Occupational Health Week of 2014.



Paramo de Pisba Boyacá, Colombia

Our Challenges for 2014

1. Reduce the levels of positive blood alcohol tests in our contractors.
2. Certify PBI's Integrated Management System.
3. Certify Nikoil's Integrated Management System.
4. Zero accidents.
5. Reduce the impact of accidents on our contractors.
6. Develop social-environmental campaigns that stimulate the environmental awareness of employees.

Glossary

Local: Local community. People or groups of people who live or work in areas that are affected (positively or negatively) from the economic, social or environmental standpoint by the operations of the Organization. The local community can be composed of people living in areas adjacent to the operations or in settlements isolated away from them and who may be impacted.

OEG: Omega Energy Group.

Environmental Management Plan: It is a document which sets out in detail the actions needed to prevent, mitigate, monitor, offset and correct possible negative environmental effects or impacts caused in the development of a project, work or activity; it also includes follow-up, evaluation and monitoring, and contingency plans.

Reinjection: The injection of water from the reservoir back to producing formations in order to carry out a disposal or as an improved recovery method to increase hydrocarbon production. The reinjection of all the water produced helps avoiding impacts on surface waters caused by high salinity, high temperature and high content of metals in such waters.

Reservoir: A natural or artificial area sustained and used to store water.

IMS: Integrated Management System.

Discharge: The controlled disposal or not of domestic, industrial, urban, agricultural, mining and other liquid wastes, either to a body of water or a specific area defined for this purpose.

Indicator	Description	Page	External Verification	Omissions	Comments
STRATEGY & ANALYSIS					
G4-1	Declaration of the main decision maker of the organization	4	Yes	Not Applicable	
G4-2	Describe main effects, risks and opportunities.	8	Yes	Not Applicable	
PROFILE OF THE ORGANIZATION					
G4-3	Name of the organization	14	Yes	Not Applicable	
G4-4	The organization's brands, products and most important services.	14	Yes	Not Applicable	
G4-5	Location of the organization's headquarters	14	Yes	Not Applicable	
G4-6	Indicate countries of operation and those that have significant operations in terms of sustainability	23	Yes	Not Applicable	
G4-7	Nature of ownership and its legal form.	17	Yes	Not Applicable	
G4-8	Indicate which markets it serves.	23, 108	Yes	Not Applicable	
G4-9	Determine the scale of the organization.	14, 23, 46, 109, 110	Yes	Not Applicable	
G4-10	Socio demographic and contractual information on employees and employees outsourced by contractors.	46	Yes	Not Applicable	
G4-11	Percentage of employees covered by collective agreements.	GRI Table	Yes	Not Applicable	The organization currently has no collective agreements or unions.
G4-12	Describe the organization's supply chain.	82	Yes	Not Applicable	
G4-13	Significant changes in the organization's size, structure, stock ownership or supply chain.	GRI Table	Yes	Not Applicable	There were no significant changes during 2013.
G4-14	Indicate how the organization deals with the precautionary principle, if appropriate.	58, 96	Yes	Not Applicable	
G4-15	Make a list of charts, principles or other external initiatives for economic, environmental and social character which the organization subscribes to or has adopted.	Cover	Yes	Not Applicable	
G4-16	Make a list of associations.	GRI Table	Yes	Not Applicable	The organization does not belong to any national or international association.

Indicator	Description	Page	External Verification	Omissions	Comments
MATERIAL ASPECTS AND COVERAGE					
G4-17	"Make a list of entities listed in the organization's consolidated financial statements and other equivalent documents."	GRI Table	Yes	Not Applicable	The entities included in financial statements are: Omega Energy Colombian branch, Quality Services and Investors sas, Nikoil Energy Corp. BVI, Nikoil Energy Corp Colombian branch, Buenavista Energy Investments Inc, Buenavista Energy Investments Inc Colombian branch, Pegasus Blendig International S.A.S. , listed for this report Omega Energy Colombian branch, Nikoil energy Corp Colombian branch and Pegasus Blendig International S.A.S.
G4-18	"a. Process that has been followed to determine the content of the report and coverage of each aspect. b. How the organization has applied the Principles of report preparation to determine the Content of the report"	32	Yes	Not Applicable	
G4-19	List aspects of materials identified during the process of defining the content of the report.	32	Yes	Not Applicable	
G4-20	Coverage of each material aspect within the organization.	17	Yes	Not Applicable	
G4-21	Coverage of each material aspect outside of the organization.	32	Yes	Not Applicable	
G4-22	Describe the consequences of reformulating information provided in earlier reports and the causes.	GRI Table	Yes	Not Applicable	There were no consequences of reformulating information.
G4-23	Significant changes in the scope and coverage of every aspect compared to previous reports.	GRI Table	Yes	Not Applicable	The Company recognizes two stakeholders (customers and suppliers) and sets their expectations as a material issue for the organization, expanding the scope and coverage of the report, this report includes Nikoil Corp. Colombian Branch operations.

Indicator	Description	Page	External Verification	Omissions	Comments
STAKEHOLDERS' PARTICIPATION					
G4-24	List of stakeholders linked to the organization.	36	Yes	Not Applicable	
G4-25	Selection of stakeholders with whom they work.	35	Yes	Not Applicable	
G4-26	Organizational approach to the participation of stakeholders.	36, 76	Yes	Not Applicable	
G4-27	Point out issues arising from the participation of stakeholders, describe the assessment made by the organization, among other aspects.	36, 76	Yes	Not Applicable	
REPORT PROFILE					
G4-28	Period covered in the report.	38	Yes	Not Applicable	
G4-29	Date of the last report	GRI Table	Yes	Not Applicable	The 2012 report was submitted in September 2013
G4-30	Report presentation cycle	38	Yes	Not Applicable	
G4-31	Person to contact to resolve any doubts that may arise in relation to the report content.	GRI Table	Yes	Not Applicable	lruiz@omegaenergy.co - fleal@omegaenergy.co
G4-32	Indicate the option "in accordance" with the chosen guide, index of the chosen option.	38, 138, 139	Yes	Not Applicable	
G4-33	Organization policies and practices regarding external verification of the report.	34	Yes	Not Applicable	
GOVERNMENT					
G4-34	Government structure of the organization.	39	Yes	Not Applicable	
G4-53	How stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	50	Yes	Not Applicable	
ETHICS AND INTEGRITY					
G4-56	Valores, principios, estándares y normas	16, 40	Yes	Not Applicable	

Indicator	Description	Page	External Verification	Omissions	Comments
MATERIAL ASPECTS					
CATEGORY: ECONOMY					
ASPECT: ECONOMIC PERFORMANCE					
G4-EC1	Direct economic value, both generated and distributed	108	Yes	Not Applicable	
ASPECT: MARKET PRESENCE					
G4-EC6	Senior managers from the local community at locations where significant operations are carried out.	GRI Table	Yes	Not Applicable	The Field Superintendent of the Buenavista Block belongs to the region.
ASPECT: DIRECT ECONOMIC CONSEQUENCES					
G4-EC7	Development and impact of investment in infrastructure and types of services.	101,102, 103,104	Yes	Not Applicable	
G4-EC8	Significant indirect economic impact and scope.	82, 99	Yes	Not Applicable	
ASPECT: ACQUISITION PRACTICES					
G4-EC9	Expenditure in places with significant operations corresponding to local suppliers.	85, 86, 87, 88	Yes	Not Applicable	
OG1 (Oil & Gas)	Volume and type of estimated tested reserves and production	110, 111	Yes	Not Applicable	
CATEGORY: ENVIRONMENT					
ASPECT: ENERGY					
G4-EN3	Internal energy consumption	71	Yes	Not Applicable	
G4-EN6	Reduction in energy consumption	71	Yes	Not Applicable	
ASPECT: WATER					
G4-EN8	Total water withdrawal according to the source.	66, 67, 68	Yes	Not Applicable	
G4-EN9	Water sources that have been significantly affected by water withdrawal.	66	Yes	Not Applicable	
G4-EN10	Recycled and reused water.	69	Yes	Not Applicable	
ASPECT. BIODIVERSITY					
G4-EN11	Operating facilities that are owned, leased, managed that are adjacent to, contain or are located in protected and unprotected areas of great value in terms of biodiversity.	75	Yes	Not Applicable	
G4-EN12	Significant impacts on biodiversity in protected or unprotected areas of great value in terms of biodiversity arising from company activities.	75	Yes	Not Applicable	

Indicator	Description	Page	External Verification	Omissions	Comments
G4-EN13	Protected or restored habitats	75	Yes	Not Applicable	
OG4 (Oil & Gas)	Operating sites where biodiversity has been evaluated and monitored.	75	Yes	Not Applicable	
ASPECTO: EMISIONES					
G4-EN15	Direct greenhouse gas emissions	72, 74	Yes	Not Applicable	
OG6 (Oil & Gas)	Volume of burned and vented hydrocarbons	74	Yes	Not Applicable	
OG7 (Oil & Gas)	Amount of drilling residue (drilling and cutting sludge)	61, 69	Yes	Not Applicable	
G4-EN20	Emissions from ozone-depleting substances	74	Yes	Not Applicable	
ASPECT: EFFLUENT AND RESIDUE					
G4-EN22	Shedding of water, according to quality and destination	61, 63, 64	Yes	Not Applicable	
G4-EN23	Total weight of residue, according to type and treatment method	60	Yes	Not Applicable	
G4-EN24	Significant spills	74, GRI Table	Yes	Not Applicable	There were no spills during 2013.
G4-EN25	Weight of transported, imported, exported or treated residue that has been deemed hazardous	60	Yes	Not Applicable	
ASPECT: PRODUCTS AND SERVICES					
G4-EN27	Degree of mitigation on the environmental impact of products and services	70, 74	Yes	Not Applicable	
ASPECTO: CUMPLIMIENTO REGULATORIO					
G4-EN29	"Monetary value of significant fines and number of non-monetary sanctions for noncompliance with environmental laws and regulations"	GRI Table	Yes	Not Applicable	No fines or penalties of any kind were presented for breach of legislation.
ASPECTO: GENERAL					
G4-EN31	Breakdown of costs and environmental investments		Yes	Not Applicable	
ASPECTO: EVALUACIÓN AMBIENTAL DE LOS PROVEEDORES					
G4-EN33	Actual and potential significant adverse environmental impacts in the supply chain	82, 84	Yes	Not Applicable	
ASPECTO: MECANISMOS DE RECLAMACIÓN AMBIENTAL					
G4-EN34	Number Of Environmental Complaints that have been filed, addressed and resolved through Formal Complaint Mechanisms	95, GRI Table	Yes	Not Applicable	There is an open request from 2012, and during 2013 there was a request from the NHA on environmental and social information for the Buenavista E & P contract and it was presented and closed on March 20th 2013.

Indicator	Description	Page	External Verification	Omissions	Comments
CATEGORY: SOCIAL PERFORMANCE					
SUBCATEGORY: LABOR AND DIGNIFIED WORK PRACTICES					
ASPECT: EMPLOYMENT					
G4-LA1	Contracts and average employee turnover	46	Yes	Not Applicable	
G4-LA2	Benefits for temporary or part-time employees	GRI Table	Yes	Not Applicable	Fringe benefits like Prepaid medicine do not extend to mission workers.
G4-LA3	Rates of return to work after maternity or paternity leave.	116	Yes	Not Applicable	
ASPECT: HEALTH AND SAFETY AT WORK					
G4-LA5	Percentage of workers on formal committees for health and safety of management and employees that help monitor and assess occupational health and safety	125	Yes	Not Applicable	
G4-LA6	Work related injuries, occupational diseases, lost days, absenteeism and fatalities.	119	Yes	Not Applicable	
G4-LA7	Workers whose profession has a high incidence or risk of disease	119	Yes	Not Applicable	
G4-LA8	Health and safety matters covered in formal agreements with unions.	GRI Table	Yes	Not Applicable	The organization does not have unions.
ASPECT: TRAINING AND EDUCATION					
G4-LA9	Average hours of training per year per employee (by sex and employment category)	51	Yes	Not Applicable	
G4-LA10	Skills management and continuous training programs that foster employability and career management.	42, 54	Yes	Not Applicable	
G4-LA11	Regular performance evaluations and professional development	GRI Table	Yes	Not Applicable	88% of workers were evaluated in 2013 based on their performance.
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY					
G4-LA12	Composition of governing bodies and breakdown of employees by professional category and sex	50	Yes	Not Applicable	
ASPECT: EQUAL PAY AMONG MEN AND WOMEN					
G4-LA13	Basic salary ratio of men to women	50	Yes	Not Applicable	
ASPECT: EVALUATION OF SUPPLIERS’ LABOR PRACTICES					
G4-LA15	Actual and potential significant negative impacts on labor practices in the supply chain	82	Yes	Not Applicable	

Indicator	Description	Page	External Verification	Omissions	Comments
ASPECT: COMPLAINT MECHANISMS FOR LABOR PRACTICES					
G4-LA16	Number Of Complaints on Labor Practices that have been filed, addressed and resolved through Formal Complaint Mechanisms	42, 50, 124, 125	Yes	Not Applicable	
SUBCATEGORY: HUMAN RIGHTS					
ASPECT: INVESTMENT					
G4-HR1	Contracts and significant investment agreements that include human rights clauses.	GRI Table	Yes	Not Applicable	There were 7 significant investment agreements in 2013, significant for OEG in terms of their potential for increased production and portfolio diversification. Neither contain clauses on Human Rights.
G4-HR2	Hours of employee training on policies and procedures concerning aspects of human rights relevant to their activities.	51	Yes	Not Applicable	
ASPECT: NON DISCRIMINATION					
G4-HR3	Number of discrimination incidents and corrective actions taken.	GRI Table	Yes	Not Applicable	There were no discrimination incidents.
ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING					
G4-HR4	Identification of significant suppliers and centers where the freedom of association and the right to collective bargaining may be infringed upon or threatened.	GRI Table	Yes	Not Applicable	OEG will develop training to promote individual and collective human rights within the employees of the company.
ASPECT: CHILD LABOR					
G4-HR5	Identification of facilities and providers with a significant risk for incidents of child exploitation, and measures taken to contribute to the abolition of child labor	82	Yes	Not Applicable	
ASPECT: FORCED LABOR					
G4-HR6	Centers and suppliers with a significant risk for incidents of forced labor and prevention measures.	82	Yes	Not Applicable	
ASPECT: SAFETY MEASURES					
G4-HR7	Safety personnel trained on the organization's policies and procedures on human rights relevant to operations.	GRI Table	Yes	Not Applicable	The organization's security personnel is outsourced. All contractors are included in the general induction program, which includes topics related to comprehensive care, safety and preservation of life.

Indicator	Description	Page	External Verification	Omissions	Comments
ASPECT: INDIGENOUS POPULATION RIGHTS					
G4-HR8	Number of incidents where the rights of indigenous peoples were violated.	GRI Table	Yes	Not Applicable	OEG does not have operations in areas where Indigenous Communities are present.
OG9 (Oil & Gas)	Presence of Indigenous Communities in areas of operation.	GRI Table	Yes	Not Applicable	OEG does not have operations in areas where Indigenous Communities are present.
ASPECT: HUMAN RIGHTS EVALUATION OF SUPPLIERS					
G4-HR11	Impactos negativos significativos en materia de derechos humanos, reales y potenciales en la cadena de suministro	82	Yes	Not Applicable	The HSEQ audits will expand outreach to corporate social responsibility.
ASPECT: HUMAN RIGHTS COMPLAINT MECHANISMS					
G4-HR12	Number Of Complaints on Human Rights that have been filed, addressed and resolved through formal complaint mechanisms.	95	Yes	Not Applicable	For 2012, two human rights complaints remain open and for 2013 6 were brought about and closed satisfactorily.
SUBCATEGORY: SOCIETY					
ASPECT: LOCAL COMMUNITIES					
G4-SO1	Percentage of centers that have implemented development programs, impact assessments and the participation of the local community	36, 95, 96, 102	Yes	Not Applicable	
OG10 (Oil & Gas)	Number of significant disputes with communities.	97	Yes	Not Applicable	Indigenous and local community litigation.
OG11 (Oil & Gas)	Number of places that have been dismantled or are in the process of dismantling.	GRI Table	Yes	Not Applicable	In 2013 the Rocamao well was abandoned and in 2014 the Calacho well located in the Llanos 21 is in the process of abandonment.
G4-SO2	Operation centers with possible or actual significant negative effects on local communities.	97	Yes	Not Applicable	
ASPECT: FIGHT AGAINST CORRUPTION					
G4-SO5	Confirmed cases of corruption and actions taken	GRI Table	Yes	Not Applicable	To date there are no confirmed cases of corruption or cases processing.
G4-SO8	Monetary value of significant fines and number of non-monetary sanctions for noncompliance with laws and regulations	GRI Table	Yes	Not Applicable	The organization has not had any breach of the regulations or laws.
G4-SO11	Number of complaints on social impacts that have been filed, addressed and resolved through formal grievance mechanisms.	95	Yes	Not Applicable	

Indicator	Description	Page	External Verification	Omissions	Comments
OG12 (Oil & Gas)	Involuntary resettlement	GRI Table	Yes	Not Applicable	We don't have operations in which involuntary resettlement has been carried out.
OG13 (Oil & Gas)	Process safety claims.	119, GRI Table	Yes	Not Applicable	There were no claims on Safety of processes. To ensure the integrity of assets, the company constantly performs a preventive and corrective maintenance process. During 2014 training will be held for operational risks and HAZOP methodology will be implemented.
SUBCATEGORY: PRODUCT RESPONSIBILITY					
ASPECT: CLIENT HEALTH AND SAFETY					
G4-PR5	Results of surveys measuring customer satisfaction	91	Yes	Not Applicable	
G4-PR8	Number of founded complaints about the violation of privacy and loss of customer data	GRI Table	Yes	Not Applicable	No complaints were filed about violation of customer privacy and data leakage.
G4-PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services	GRI Table	Yes	Not Applicable	No fines or penalties of any kind for breach of legislation were presented.
OG14 (Oil & Gas)	Volume of biofuels produced, bought and sold.	GRI Table	Yes	Not Applicable	Our biofuel projects are in early stages and are not yet in production.

INDEPENDENT REVIEW REPORT



Bureau Veritas was commissioned by OMEGA ENERGY GROUP to conduct an independent review of its sustainability report for the period of January 1ST to December 31ST 2013, which was prepared following the essential "conformity" guidelines established in the Guide for Sustainability Reporting by the Global Reporting Initiative (GRI) version 4.0 (GRI-G4)

This assurance declaration provides readers with an independent opinion on the reliability of information based on the evaluation performed in the report and on systems and underlying evidence.

Omega Energy Group Management Responsibility

OMEGA ENERGY GROUP took on the task of collecting, collating, analyzing, preparing, developing, approving and submitting all information and statements published in the sustainability report. They were responsible for identifying their partners and material issues, in order to establish challenges regarding their commitment to sustainability as part of their corporate strategy. They were also responsible for establishing and maintaining internal control over systems and processes that support management and giving rise to information contained in the report.

Bureau Veritas Responsibility

We were responsible for conducting the verification work in this report, in accordance with the terms agreed upon by OMEGA ENERGY GROUP in light of our proposed services, the application of tests and analyzes carried out in our review.

Bureau Veritas does not accept or assume any responsibility, co-responsibility or obligation to third parties apart from OMEGA ENERGY GROUP on behalf of this assurance test and is expressly exempt from any responsibility for the decisions made by any person or entity based on this assurance evaluation.

During 2013, Bureau Veritas did not provide any service to the OMEGA ENERGY GROUP that could come into conflict with the independence of our assurance work in this report.

Assurance Standards

Our assurance test was performed in accordance with the guidelines established by the ISAE 3000 - International Standard on Assurance Engagements, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accounts (IFAC) related to limited assurance and compliance with ethical principles of integrity, objectivity, professional diligence, confidentiality and professional behavior, which are reported in the International Ethics Standards Board of Accountants in the Code of Ethics for Professional Accountants developed by IFAC, guaranteeing the independence of the verification.

Similarly, we welcomed the guidelines set forth in the Standard of Sustainability Assurance AA1000AS (2008). We achieved moderate character assurance [type 2] in this sustainability report, which is characterized by consulting management and those responsible for preparing information presented in the sustainability report, applying analytical procedures and the collection, analysis and documentation of appropriate tests.

Therefore, being substantially inferior, this report cannot be considered an audit review.

Scope of the Review

The scope of verification conducted in the sustainability report included the following processes:

- ✓ Evaluation of the quality of data management systems, information flow and control.

INDEPENDENT REVIEW REPORT



- ✓ Review of traceability through sampling, statements and data presented in the report and made available to Bureau Veritas, in order to determine their accuracy in the process of collecting, recording, compiling, availability and consistency.

- ✓ Random Review of mechanisms used to display their commitment to sustainability, as described in the report.

- ✓ Review of implementation of the Global Reporting Initiative's G4 Guide in accordance with the essential "conformity" requirements and consistency of information submitted concerning the general basic content and specific core content required for this option and use of sectoral content for Oil and Gas.

- ✓ Review of the materiality process and consideration of principles outlined in the G4 Guide for the preparation of the sustainability report.

- ✓ Verification of the mid and long term approach to the report.

- ✓ Validation of financial information reflected in the report was taken from the financial statements of Omega Energy International, which were audited and certified by KPMG.

The change between versions of the guide for the preparation of the report (G3.1 to G4) has led to additional or different, but acceptable, measurement techniques that may nevertheless affect comparability with previous reports. Qualitative interpretations of relevance, materiality and accuracy of data are subject to assumptions and individual criteria.

Our verification report does not extend to information from previous periods used for comparison purposes in terms of effectiveness and strategy and therefore, our conclusion is exclusively limited to the previously mentioned scope.

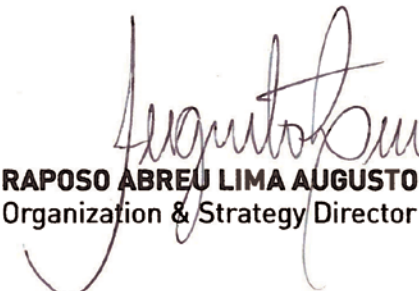
CONCLUSIONS

Based on the verification work done in this sustainability report, nothing made us think that information concerning the year ending on December 31, 2013 has not been prepared in all significant respects in accordance with the G4 GRI guidelines and with records and files that were the basis for its preparation.

In our opinion, the information presented in the Sustainability Report provides a physical, complete representation of OEG management in the context of sustainable development.

RECOMMENDATIONS

Without affecting the above conclusion, we want to draw attention to the figures for hiring skilled and unskilled labor for the Buenavista Block, which showed a difference from what was reported to third parties. Therefore, we recommend strengthening mechanisms for validating reports prior to their delivery. It should be noted that in order to contribute to the continuous improvement of the Company, we refer to an internal report of findings and recommendations which does not influence or change the conclusion of this assurance report.


RAPOSO ABREU LIMA AUGUSTO
Organization & Strategy Director

This sustainability report was conducted with the cooperation of the entire company and the GRI team:



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