TORONTO, July 15, 2015 /CNW/ - Pacific Rubiales Energy Corp. (TSX: PRE) (BVC: PREC) today provided an operational update f
its second quarter 2015 operating results, which includes estimates of production and sales volumes, price realizations, and operati
netbacks, summarized as follows:

	2Q 2015 (Estimate)	1Q 2015 (Actual)	4Q 2014 (Actual)	3Q 2014 (Actual)	2Q 2014 (Actual)
Net Oil Production (Mbbl/d)	143 – 145	144	137	135	139
Net Natural Gas Production (Mboe/d)	8 – 9	9	10	10	10
Total Net Production (Mboe/d)	151 – 153	153	147	145	149
Sales Volumes (Mboe/d)	143 – 146	180	162	163	155
Oil Price Realization ($/bbl) [1]	$53 - $56	$50.38	$68.27	$99.14	$99.76
Natural Gas Price Realization ($/boe)	$32 - $33	$32.48	$29.97	$31.95	$31.33
Combined Realization Price ($/boe)[1]	$52 - $55	$49.45	$65.64	$88.05	$94.95
Underlying Operating Cost[2]	$23 - $26	$21.21	$26.44	$30.79	$31.71
Total Operating Cost[3]	$21 - $24	$26.72	$27.28	$32.97	$32.19
General & Administrative ($/boe)	$4.00 - $5.00	$3.39	$6.62	$6.45	$6.32
WTI NYMEX ($/bbl)	$57.95	$48.57	$73.20	$97.25	$102.99
BRENT ICE ($/bbl)	$63.50	$55.13	$77.07	$103.46	$109.76

[1]Includes gains/losses from commodity price hedging.

[2]Includes production, transportation, and diluent cost.

[3]Includes overlift/underlift, royalties paid in cash, and other cost.

Note: All values in this release are in U.S.$, unless otherwise stated.

Second Quarter 2015 Results

Total net production for the quarter is expected to be in the range of 151 to 153 Mboe/d, approximately 2% higher than the same pe
a year ago. This is in-line with the previous quarter, despite the increased pipeline transportation disruptions through the quarter.

The Company reports its sales volumes comprised of produced volumes available for sale, plus purchased diluent volumes (mixed w
heavy oil production to form a sales blend), plus oil for trading ("OFT") volumes, plus/minus sales inventory adjustments. Sales volu
can vary significantly from quarter-to-quarter as a consequence of fluctuating diluent and OFT volumes, and significant swings in oil
inventories, which are related to the timing of export cargo liftings.

Sales volumes in the second quarter are expected to be in the range of 143 to 146 Mboe/d, a decrease of approximately 7% from th
same period a year ago. The OFT volumes are expected to be in the range of 10 to 12 Mbbl/d (compared to 15.5 Mbbl/d in the first
quarter 2015). Volumes acquired for dilution were approximately 600 bbl/d (compared to 325 bbl/d in the first quarter 2015).

The Company expects combined realized prices (including natural gas production) in the second quarter to be in the range of $52 to
$55 /boe, which is lower as compared to the same quarter a year ago, but in-line with the decline in benchmark prices in 2015. Most

the Company's oil production in Colombia and Peru is exported at prices linked to international oil prices. Both WTI and Brent benchmark oil prices increased approximately 17% (~US$9/bbl) during the quarter.

The decline in global oil prices over the past quarters is partly offset by the cost reductions the Company has been able to achieve i 2015. The Company expects underlying operating cost (including production, transportation and diluent cost) in the second quarter t be in the range of $23 to $26 /boe, which is lower as compared to the same quarter a year ago and slightly higher than the first quar 2015 as a result of lower sales volumes and a fluctuating Colombian Peso against the U.S. Dollar. The decrease in production costs sustainable and mainly attributed to the Company's ongoing cost reduction programs. Transportation and diluent costs was compara to the first quarter of 2015 on a boe basis.

Operating netbacks for the quarter are expected to be higher compared with the prior quarter, impacted by an increase in benchmar prices and lower operating costs. Cash operating margins are expected to be approximately 58%. The Company calculates its operating netback for both revenues and costs based on total sales volumes excluding OFT volumes, rather than produced volumes Note that the adjusted EBITDA margin on OFT volumes is typically $1 to $3/bbl. Total operating costs are reported as a combinatior production, transportation, and diluent costs, plus other costs and overlift/underlift costs. The latter two (other costs and overlift/underlift) largely relate to movements in storage and cargo lifting inventory and can consequently significantly impact total co either positively or negatively, in any given quarter. This is evident by the significant overlift in the first quarter of 2015 and an underl the first quarter of 2014.

General and administrative costs for the quarter are expected to be in the range of $4.00 to $5.00 /boe, a decrease of approximately 29% from the same period a year ago. This is approximately 33% higher than the previous quarter as the significant cost-cutting measures implemented were offset by lower sales volumes.

About Pacific Rubiales

Pacific Rubiales is a Canadian public company and a leading explorer and producer of natural gas and crude oil, with operations focused in Latin America. The Company has a diversified portfolio of assets with interests in approximately 90 exploration and production blocks in seven countries including Colombia, Peru, Guatemala, Brazil, Guyana, Papua New Guinea and Belize. The Company's strategy is focused on sustainable growth in production & reserves and cash generation. Pacific Rubiales is committed t conducting business safely, in a socially and environmentally responsible manner.

The Company's common shares trade on the Toronto Stock Exchange and La Bolsa de Valores de Colombia under the ticker symb PRE, and PREC, respectively.

Advisories

Cautionary Note Concerning Forward-Looking Statements

This news release contains forward-looking statements. All statements, other than statements of historical fact, that address activitie events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitatio statements regarding estimates and/or assumptions in respect of production, revenue, cash flow and costs, reserve and resource estimates, potential resources and reserves and the Company's exploration and development plans and objectives) are forward-lool statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information curre available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results a realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other thing uncertainty of estimates of capital and operating costs, production estimates and estimated economic return; the possibility that actu circumstances will differ from the estimates and assumptions; failure to establish estimated resources or reserves; fluctuations in petroleum prices and currency exchange rates; inflation; changes in equity markets; political developments in Colombia, Guatemala Peru, Brazil, Papua New Guinea, Guyana and Mexico; changes to regulations affecting the Company's activities; uncertainties relati to the availability and costs of financing needed in the future; the uncertainties involved in interpreting drilling results and other geological data; and the other risks disclosed under the heading "Risk Factors" and elsewhere in the Company's annual information form dated March 17, 2015 filed on SEDAR at www.sedar.com. Any forward-looking statement speaks only as of the date on which made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncerta therein.

In addition, reported production levels may not be reflective of sustainable production rates and future production rates may differ materially from the production rates reflected in this press release due to, among other factors, difficulties or interruptions encounter during the production of hydrocarbons.

Unaudited Financial Information

Certain financial and operating results included in this news release such as capital expenditures, production information and operating costs are based on unaudited estimated results. These estimated results are subject to change upon the Company releases the unaudited interim consolidated financial statements for the period ended March 31, 2015, and changes could be material. Pacific Rubiales anticipates filing its unaudited interim financial statements and related management's discussion and analysis for the period ended March 31, 2015 on SEDAR on or before May 14, 2015.

Boe Conversion

Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 5.7 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. The estimated values disclosed in this news release do not represent fair market value. The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Definitions

Bcf	Billion cubic feet.
Bcfe	Billion cubic feet of natural gas equivalent.
bbl	Barrel of oil.
bbl/d	Barrel of oil per day.
boe	Barrel of oil equivalent. Boe's may be misleading, particularly if used in isolation. The Colombian standard is a boe convers ratio of 5.7 Mcf:1 bbl and is based on an energy equivalency conversion method primarily applicable at the burner tip and d not represent a value equivalency at the wellhead.
boe/d	Barrel of oil equivalent per day.
Mbbl	Thousand barrels.
Mboe	Thousand barrels of oil equivalent.
MMbbl	Million barrels.
MMboe	Million barrels of oil equivalent.
Mcf	Thousand cubic feet.
WTI	West Texas Intermediate Crude Oil.

Translation

This news release was prepared in the English language and subsequently translated into Spanish. In the case of any differences between the English version and its translated counterparts, the English document should be treated as the governing version.

SOURCE Pacific Rubiales Energy Corp.

Contact
Frederick Kozak, Corporate Vice President, Investor Relations, +57 (1) 511-7992, +1 (403) 606-3165; Roberto Puente, Sr. Manager, Investor Relations, +57 (1) 511-2298; Richard Oyelowo, Manager, Investor Relations, +1 (416) 362-7735; MEDIA CONTACT: Peter Volk, Vice President Communications, North America, +1 (416) 362-7735