

# **PETRODORADO ENERGY LTD.**

Suite 1000, Bow Valley Square II  
205 – 5 Ave S.W.  
Calgary, Alberta, Canada, T2P 2V7  
Tel: (403) 930-7544  
Fax: (403) 930-7599

## **PRESS RELEASE**

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### **PETRODORADO PROVIDES OPERATIONS UPDATE**

**January 2, 2013 – Calgary, Alberta: Petrodorado Energy Ltd. ("Petrodorado" or the "Company") (TSXV-PDQ)** is pleased to provide an operational update on the CPO-5 and Talora Block in Colombia.

#### **Petrodorado announces exploratory success in Kamal-1X well in the CPO-5 Block, Llanos Basin, Colombia**

Kamal-1X, the first exploration well in the CPO-5 block, was spudded on October 29, 2012, and reached the target depth of 10,500 feet. The primary target of Mirador encountered a net pay of 20 feet. This zone was tested using a coil tubing-nitrogen lift and yielded a peak rate of 210 barrels of oil a day of 14 API with high water cut. This test was performed to confirm hydrocarbon production and to determine the optimum placement of a jet pump and not to determine maximum production rates.

The Mirador zone will now be tested with a jet pump and ESP using a testing rig to determine production rates. The drilling rig is presently moving to the second drilling location, Loto-1, which is expected to spud mid-January.

The CPO-5 block is presently under phase 1 of a two-phase exploration program of a total of 5 committed exploration wells. The operator and Petrodorado have identified multiple prospects for 3D and 2D seismic.

Petrodorado has a 30% non operated working interest in the CPO-5 block.

#### **Talora**

Petrodorado completed and tested well Dorados-1X on the Talora Block in the Upper Magdalena Valley of Colombia.

The exploratory well Dorados-1X was spudded on July 31, 2012, reaching a total depth of 7,282 ft-MD and testing conventional Upper and Lower Dorados sands in the Cretaceous sandstone.

The main objectives were to reach the Cretaceous Caballos and Tetuan formations but these objectives were not present at well location. However, an exceptionally thick Cretaceous-Cenomanian sand of 1,850 ft gross was found that was not previously identified or reported in this basin.

Despite encountering what appeared to be a thick and well-defined gas & oil column with a possible basal water contact while drilling, the well testing results provided little information due to what appears to be

significant formation damage. The post-drill well testing program proved the sand section to be a low pressure reservoir system with significant formation damage and evidence that the oil has been emulsified. Petrodorado is currently performing geochemical analysis to determine reservoir potential.

After evaluation of results, future plans will be decided that possibly will include a new undamaged borehole (sidetrack hole or twin well) design to overcome the sensitivity of this reservoir to formation damage due to low-pressure conditions, which is common in this part of the basin, in order to further evaluate the Dorados structure, a large thrust anticline with 4-way closure with a potential thick reservoir section.

Petrodorado also takes into consideration that Dorados sands present better pressure regime than the nearby Guando Oil Field (126 MMBO recoverable) located 40 km to the southeast of the Dorados-1X well.

Plans are also underway to gather relevant data to evaluate the non-conventional target in the fractured oil shale of the Cretaceous La Luna oil source rock at the earliest possible opportunity.

Petrodorado is the operator of the block with a 65% working interest.

### **Krishna Vathyam, Chairman, President and CEO of Petrodorado Energy Ltd.**

"We are pleased with the success in Kamal-1X which, after testing with pumps, will yield to development locations and cash flow for Petrodorado."

### **About Petrodorado Energy Ltd.**

Petrodorado is primarily engaged in petroleum and natural gas exploration and development activities in Colombia, Peru and Paraguay. Its head office is located in Calgary, Alberta, Canada and Petrodorado's common shares are traded on the TSXV under the trading symbol "PDQ".

For further information, please contact:

Krishna Vathyam, Chairman, President and CEO

Chris Reid, VP of Finance and CFO

(403) 930-7544

Email: [info@petrodorado.com](mailto:info@petrodorado.com)

Website: [www.petrodorado.com](http://www.petrodorado.com)

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Except for the statements of historical fact contained herein, certain information presented herein constitutes "forward-looking statements". Such forward-looking statements, including but not limited to the expected timing from the company's drilling results are subject to numerous uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers are cautioned that the assumption used in the preparation of the forward-looking statements, although considered reasonable at the time of preparation may prove to be imprecise and, as such undue reliance should not be placed on forward-looking statements. These forward looking statements are based upon assumptions that the Company has made concerning the oil and gas industry in Colombia, Peru and Paraguay, the

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