

Media Release



RELIANCE INDUSTRIES AND PIONEER NATURAL RESOURCES ANNOUNCE EAGLE FORD SHALE JOINT VENTURE

Mumbai, June 24, 2010: Reliance Industries Limited (RIL) today announced that its subsidiary, Reliance Eagleford Upstream LP, has executed definitive agreements to enter into a joint venture with United States based Pioneer Natural Resources Company (NYSE: PXD), of Irving, Texas under which Reliance will acquire a 45% interest in Pioneer's core Eagle Ford Shale acreage position in two separate transactions. Pioneer and Newpek LLC, Pioneer's current partner in the Eagle Ford, will simultaneously convey 45% of their respective interests in the Eagle Ford to Reliance. Newpek, a wholly owned subsidiary of ALFA, S.A.B. de C.V., currently owns an approximate 16% non-operated interest in Pioneer's core Eagle Ford Shale acreage. Following the transactions, Pioneer, Reliance and Newpek will own 46%, 45% and 9% of the joint venture interests, respectively. The joint venture will have an approximate net working interest of 91% in 289,000 gross acres implying 263,000 net acres.

Reliance will pay \$1.315 billion for its implied share of 118,000 net acres. This upstream transaction consideration will include combined upfront cash payments of \$263 million and deferred payments of \$1.052 billion associated with a carry arrangement for 75% of Pioneer's and Newpek's capital costs over an anticipated four years. The joint venture's leasehold, which is largely undeveloped, is located in the core area of the Eagle Ford Shale in south Texas. Low operating costs, significant liquids content (70% of the acreage lies within the condensate window) and excellent access to services in the region combine to make the Eagle Ford one

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of the most economically attractive unconventional resource plays in North America. Pioneer believes the acreage will support the drilling of over 1,750 wells with a net resource potential to the joint venture of approximately 10 tcf (4.5 tcf net to RIL). The joint venture plans to increase the current drilling program to approximately 140 wells per year within three years. Also included in the transaction is current production of 28 mmcf/d (11 mmcf/d net to Reliance) from five currently active horizontal wells.

While Pioneer will serve as the development operator for the upstream joint venture, Reliance is expected to begin acting as development operator in certain areas in the coming years as part of the joint venture.

Additionally, Reliance and Pioneer have executed definitive agreements to form a midstream joint venture that will service the gathering needs of the upstream joint venture. Reliance's subsidiary, Reliance Eagleford Midstream LLC, will pay \$46 million to acquire a 49.9% membership interest in the joint venture. Pioneer and Reliance will have equal governing rights in the joint venture and Pioneer will serve as operator.

Under the framework of the joint venture, Pioneer will continue acquiring leasehold in the Eagle Ford Shale and Reliance will have the option to acquire a 45% share in all newly acquired acres.

Commenting on the joint venture, **Mr. PMS Prasad, Executive Director, Reliance Industries** said, "Reliance is very pleased to establish a long-term partnership with

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Pioneer in the Eagle Ford shale. This transaction represents another significant milestone in Reliance's efforts to grow its North American shale gas operations."

Barclays Capital Inc. and UBS Securities LLC acted as financial advisors to Reliance. Baker Botts LLP acted as legal counsel to Reliance.

About Reliance Industries Limited

Reliance Industries Limited (RIL) is India's largest private sector company on all major financial parameters with a turnover of Rs. 2,00,400 crore (US\$ 44.6 billion), cash profit of Rs. 27,933 crore (US\$ 6.2 billion), net profit of Rs. 16,236 crore (US\$ 3.6 billion) and net worth of Rs. 1,37,171 crore (US\$ 30.6 billion) as of March 31, 2010.

RIL is the first private sector company from India to feature in the Fortune Global 500 list of 'World's Largest Corporations' and ranks 117th amongst the world's Top 200 companies in terms of profits. RIL ranks 75th in the Financial Times FT Global 500 list of the world's largest companies. RIL is rated as the 15th 'Most Innovative Company' in the World in a survey conducted by the US financial publication-Business Week in collaboration with the Boston Consulting Group.

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