

EXCHANGE RATE INFORMATION

On April 25, 2014, the Representative Market Exchange Rate was Ps\$1,936.07 per US\$1.00. The Federal Reserve Bank of New York does not report a noon-buying rate for Colombian Pesos. The Superintendency of Finance calculates the Representative Market Exchange Rate based on the weighted averages of the buy and sell foreign exchange rates quoted daily by foreign exchange rate market intermediaries including financial institutions for the purchase and sale of U.S. dollars.

The following table sets forth the high, low, average and period-end exchange rate for Peso/U.S. dollar Representative Market Exchange Rate for each of the last five years and for the last six months.

	Exchange Rates			
	High	Low	Average	Period-End
2009	2,596.37	1,825.68	2,156.29	2,044.23
2010	2,044.23	1,786.20	1,897.89	1,913.98
2011	1,972.76	1,748.41	1,848.17	1,942.70
2012	1,942.70	1,754.89	1,798.23	1,768.23
2013	1,952.11	1,758.45	1,868.90	1,926.83
October	1,908.29	1,879.46	1,885.91	1,884.06
November	1,932.77	1,889.16	1,922.14	1,931.88
December	1,948.48	1,921.22	1,934.08	1,926.83
2014:				
January	2,013.17	1,924.79	1,960.41	2,008.26
February	2,054.90	2,021.10	2,040.51	2,054.90
March	2,052.51	1,965.32	2,022.19	1,965.32
April (through April 25)	1,969.45	1,920.93	1,939.51	1,936.07

Source: Superintendency of Finance for historical data. *Banco de la República*, or the Colombian Central Bank, for averages.

RISK FACTORS

Risks related to our business

Our crude oil and natural gas reserve estimates involve some degree of uncertainty and may prove to be incorrect over time, which could adversely affect our ability to generate revenue.

Reserves estimates are prepared using generally accepted geological and engineering evaluation methods and procedures. Estimates are based on geological, topographical and engineering facts. Hydrocarbon reserves were calculated in accordance with SEC regulations and the requirements of the Financial Accounting Standards Board, or FASB. Actual reserves and production may vary materially from estimates presented in this annual report, and downward revisions in our reserve estimates could lead to lower future production which could affect our results of operations and financial condition. For more information, see "Item 4. Information on the Company - Reserves."

Achieving our long-term growth prospects depends on our ability to execute our Strategic Plan – specifically, the discovery and successful development of additional reserves.

Our Strategic Plan is discussed at length in “Item 4. Information on the Company–The Company–Our Strategic Plan.” Our long-term growth objectives depend largely on our ability to discover and/or acquire new reserves, and in turn successfully develop them and to improve our recovery factor. Our exploration activities expose us to the inherent risks of drilling, including the risk that we will not discover commercially productive crude oil or natural gas reserves and the risk that some exploratory wells initially budgeted for may be drilled at a later stage or not be drilled at all. The costs associated with drilling wells are often uncertain, and numerous factors beyond our control may cause drilling operations to be curtailed, delayed or cancelled.

If we are unable to successfully discover and develop additional reserves, or if we do not acquire properties having proved reserves, our level of proved reserves will decline. Failure to secure additional reserves may impede us from achieving or maintaining production targets, and may have a negative impact on our results of operation and financial condition.

Our business depends substantially on international prices for crude oil and refined products. The prices for these products are volatile; a sharp decrease could adversely affect our business prospects and results of operations.

As of December 2013, nearly 95% of our revenues came from sales of crude oil, natural gas and refined products and 99% of our revenues from the sales of these products are indexed to international reference prices or benchmarks such as Brent and fuel oil. Consequently, fluctuations in those international indexes have a direct effect on our financial condition and results of operations.

Prices of crude oil, natural gas and refined products have traditionally fluctuated as a result of a variety of factors including, among others, competition within the oil and natural gas industry; changes in international prices of natural gas and refined products; long-term changes in the demand for crude oil, natural gas and refined products; regulatory changes; inventory levels; changes in the cost of capital; adverse economic conditions; global financial crises, such as the financial crisis of 2008; development of new technologies; global and regional economic and political developments in the Organization of the Petroleum Exporting Countries, or OPEC; the willingness and ability of the OPEC and its members to set production levels and prices; local and global demand and supply for crude oil, refined products and natural gas; trading activity in oil and natural gas; transactions in derivative financial instruments related to oil and gas; development or availability of alternative fuels; weather conditions; natural events or disasters; and terrorism and global conflict.

Substantial or extended declines in international crude oil prices may have a material adverse effect on our business, results of operations and financial condition, and the value of our proved reserves. In addition, a reduction of international crude oil prices could result in a delay or a change in our capital expenditure plan, in particular delaying exploration and development activities, thereby delaying the development of reserves and affecting future cash flows.

An appreciation of the Peso against the U.S. dollar could have an adverse effect on our financial condition and results of operations given that approximately 99% of our revenues are derived from sales of products quoted in or with reference to U.S. dollars.

Approximately 99% of our revenues are derived from sales of products quoted in or with reference to U.S. dollars. The impact of fluctuations in exchange rates, especially the Peso/U.S. dollar rate, on our operations has been and may continue to be material. In addition, a substantial share of our liquid assets are held in U.S. dollars and gain value when converted into Pesos as the Peso depreciates against the U.S. dollar and lose value when converted into Pesos as the Peso appreciates against the U.S. dollar.

The U.S. dollar/Peso exchange rate has fluctuated during the last several years. The Peso appreciated 2.7% on average against the U.S. dollar in 2012, and in 2013 depreciated 3.9%. When the Peso appreciates against the U.S. dollar, our revenues from exports decrease when converted into Pesos. However, imported goods, oil services and interest on external debt denominated in U.S. dollars become less expensive for us. Conversely, when the Peso depreciates against the U.S. dollar, our revenues from exports, when converted into Pesos, increase, and our imports and external debt service become more expensive. Because of our current composition of revenues as described above and the fact that our assets and liabilities are denominated in U.S. dollars and our assets are almost twice as much as our liabilities, we prefer the depreciation of the Peso against the U.S. dollar. We cannot assure that measures adopted by the government of Colombia and the Colombian Central Bank (*Banco de la República de Colombia*) such as the purchase of U.S. dollars in the foreign exchange market in response to the appreciation of the Peso, and the government's intervention through the purchase of significant amounts of U.S. dollars in the spot market to pay interest and principal on foreign bonds coming due will be sufficient to control this fluctuation. Future appreciation in the exchange rate of the Peso to the U.S. dollar may adversely affect our financial condition and results of operations when converted into Pesos and our ability to comply with our obligations under our existing indebtedness and our ability to pay dividends.

Increased competition from local and foreign crude oil companies may have a negative impact on our ability to gain access to additional crude oil and natural gas reserves in Colombia.

Prior to the enactment of Decree Law 1760 of 2003, we had an automatic right to explore any territory in Colombia and to enter into joint venture agreements with foreign and local oil companies. Under current law, by contrast, we no longer have unfettered ability to engage in exploratory activities; we must instead bid for exploration blocks offered by the ANH, the governmental entity responsible for promoting oil and gas investments in Colombia, establishing terms of reference for exploration rounds and assigning exploration blocks to domestic and foreign oil and gas companies via competitive rounds. This means we compete under the same conditions as other domestic and foreign oil and gas companies, and receive no special treatment. Our ability to obtain access to potential production fields also depends on our ability to evaluate and select potential hydrocarbon-producing fields and to adequately bid for these exploration fields.

We are also exposed to international competition as a result of our international exploratory activities. Currently, we are developing exploratory activities in Brazil, Peru and the Gulf of Mexico, where we face competition from other oil and gas companies operating in those locations.

If we are unable to adequately compete with local and foreign oil companies, or if we cannot enter into joint ventures with market players with exploration projects where we could potentially find additional reserves, we may be limited to conducting exploration activities in less attractive blocks. This could reduce our share of the market and, in turn, adversely affect our financial condition.

If operational risks to which we are exposed in Colombia or overseas materialize, the health and safety of our workforce, the local community and the environment may be affected. In addition, we may suffer a disruption or shutdown of our operational activities.

Our exploration, production, refining and transportation activities in Colombia and in the foreign countries in which we operate are subject to industry-specific operating risks, some of which, despite our internal procedures and adherence to industry practices, are beyond our control. Our operations may be curtailed, delayed or cancelled due to adverse or abnormal weather conditions, natural disasters, equipment failures or accidents, oil or natural gas spills or leaks, shortages or delays in the availability or in the delivery of equipment, delays or cancellation of environmental licenses or other government authorizations, fires, explosions, blow-outs, surface cratering, pipeline failures, theft and damage to our transportation infrastructure, sabotage, terrorist attacks and criminal activities.

Some of our operations in Colombia and abroad could be conducted in remote and uninhabited locations which involve health and safety risks that could affect our workforce. By our own Company policy and practices, as well as under Colombian law and international industrial safety regulations, we are required to have health and safety practices that minimize risks and health issues faced by our workforce. Failure to comply with health and safety regulations in the jurisdictions where we operate may lead to investigations by health officials that could result in lawsuits or fines.

We may be required to incur additional costs and expenses to allocate funds to industrial safety and health compliance under Colombian law and international industrial safety regulations. Additionally, if any operational incident occurs that affects local communities in nearby areas, we will need to incur additional costs and expenses in order to return affected areas to normality and to compensate for any damages we may cause. These additional costs may have a negative impact on the profitability of the projects we may decide to undertake.

The occurrence of any of these operating risks could result in substantial losses or slowdowns to our operations, including injury to our employees, malfunction or destruction of property, equipment and infrastructure, clean-up responsibilities, third-party liability claims, government investigations and imposition of fines, withdrawal of environmental licenses and other government permits, suspension or shutdown of our activities and loss of revenue. The occurrence of any of these events may have a material adverse effect on our financial condition and results of operations.

Our involvement in deep water drilling either as direct operators or in conjunction with our business partners involves certain risks and costs, which may be outside of our control.

Ecopetrol plans to spud two or three offshore exploration wells in the deep waters of the Colombian Caribbean Sea during 2014; all of them will be operated by our partners in the Tayrona and Fuerte Norte and Sur blocks (Petróleo Brasileiro S.A.—Petrobras and Anadarko Petroleum Corporation, respectively). Ecopetrol will continue its exploration campaign in the Colombian Caribbean Sea in 2015 and 2016, with three to four new exploration wells planned, in association with our business partners, such as Repsol and ONGC Videsh Limited, among others. In association with our business partners, we have undertaken deep water exploratory drilling in the U.S. Gulf Coast and in Brazil. Additionally, as of December 31, 2013, we were involved in off-shore production operations on the Colombian Caribbean coast where Chevron acts as operator and 18 off-shore exploratory blocks in Colombia that involve deep-water drilling, in four of which Ecopetrol S.A. acts as operator, while Equión acts as operator in two. Our deep water drilling activities present several risks, such as the risk of spills, explosions in platforms and drilling operations, and natural disasters. The occurrence of any of these events or other incidents could result in personal injuries, loss of life, severe environmental damage with the resulting containment, clean-up and repair expenses, equipment damage and liability in civil and administrative proceedings. Heightened risks and costs associated with deep water drilling may have a negative effect on our results of operations, financial condition and reputation.

As a result of the oil spill in the Macondo field operated by British Petroleum in the U.S. Gulf Coast in April 2010, significant concerns regarding the safety of deep water drilling have been raised and, as a result, applicable regulations in various countries have changed. More stringent government regulation may result in increased costs and longer exploration and development timeframes for our deep water drilling operations and consequently could adversely affect our results of operations and financial condition.

We are exposed to the credit risks of our customers and any material nonpayment or nonperformance by our key customers could adversely affect our cash flow and results of operations.

Some of our customers may experience financial problems that could have a significant negative effect on their creditworthiness. Severe financial problems encountered by our customers could limit our ability to collect amounts owed to us, or to enforce the performance of obligations owed to us under contractual arrangements. In addition, many of our customers finance their activities through their cash flows from operations, the incurrence of short and long term debt or the issuance of equity.

The combination of decreasing cash flows as a result of declines in commodity prices, a reduction in borrowing bases under reserve-based credit facilities and the lack of availability of debt or equity financing may result in a significant reduction of our customers' liquidity and limit their ability to make payments or perform their obligations to us.

Furthermore, some of our customers may be highly leveraged and subject to their own operating expenses. Therefore, the risk we face in doing business with these customers may increase. Other customers may also be subject to regulatory changes, which could increase the risk of defaulting on their obligations to us. For example, constraints on foreign currency transactions by the Venezuelan government have resulted in delays by PDVSA Gas to make payments to its suppliers, including us. Financial problems experienced by our customers could result in the impairment of our assets, a decrease in our operating cash flows and may also reduce or curtail our customers' future use of our products and services, which may have an adverse effect on our revenues and our ability to make payments under our existing debt obligations.

Our ability to access the credit and capital markets on favorable terms to obtain funding for our capital projects may be limited due to the deterioration of these markets and the authorizations we need before incurring any financial indebtedness.

We expect to make significant capital and operations expenditures to reach the corporate goals established by our Strategic Plan. See "Item 4. Information on the Company—The Company—Our Strategic Plan." Our ability to fund these expenditures is dependent on our ability to access the capital necessary to finance them on terms acceptable to us. In recent years, domestic and global financial markets and economic conditions have been weak and volatile and have contributed significantly to a substantial deterioration in the credit and capital markets. A new financial crisis or a renewal of the European sovereign debt crisis, which in turn could worsen the risk perception in the emerging markets, could also make it more difficult for us and our subsidiaries to access international capital markets and finance our operations and capital expenditures in the future on terms acceptable to us. These conditions, along with significant write-offs in the financial services sector and the re-pricing of credit risk, can make it difficult for us to obtain funding for our capital needs on favorable terms. As a result, we may be forced to revise the timing and scope of these projects as necessary to adapt to existing market and economic conditions, or access the financial markets on terms less favorable, therefore negatively affecting our results of operations and financial condition.

In addition, under applicable regulation, the Government, through the Ministry of Finance and Public Credit and the National Planning Department, must authorize all indebtedness of state-owned entities and government-controlled companies through a majority equity stake. Consequently, all of our own indebtedness and our subsidiaries' indebtedness, except for our foreign subsidiaries or those subsidiaries in which we hold minority interest, must be previously authorized by the Colombian Ministry of Finance and Public Credit and the National Planning Department. As such, our indebtedness is subject to the Government's time frames and policies, and we cannot guarantee that such authorizations would be granted in a timely fashion or granted at all.

We may be exposed to increases in interest rates, thereby increasing our financial costs.

We may incur debt locally and in the international capital markets and, consequently, may be affected by changes in prevailing interest rates. If market interest rates increase, our financing expenses may increase, which could have an adverse effect on our results of operations and financial condition.

As of December 31, 2013, approximately 42%—US\$4.8 billion of our total indebtedness—consisted of floating rate debt. If market interest rates rise, our financing expenses will increase, which could have an adverse effect on our results of operations and financial condition. In addition, as we refinance our existing debt in the coming years, the mix of our indebtedness may change, specifically as it relates to the ratio of fixed to floating interest rates, the ratio of short-term to long-term debt, and the currencies in which our debt is denominated in or indexed to. We cannot assure you that such changes will not result in increased financing expenses borne by us.

Our current and planned investments and exploration activities outside Colombia are exposed to political and economic risks.

As part of our Strategic Plan, we operate through business partners, subsidiaries or affiliates outside of Colombia. We currently have investments and subsidiaries incorporated in Peru, Brazil, Bermuda, Panama, the Cayman Islands, Switzerland, Spain, the United Kingdom and the United States, and we are analyzing investments in other countries. In connection with making investments, we are and will be subject to risks relating to economic and political conditions and governmental economic actions. We cannot predict the positions of foreign governments relating to the oil and gas industry, land tenure, protection of private property, environmental standards, regulation or taxation; nor can we assure you that future governments will maintain policies favorable to foreign investment or repatriation of capital.

We began exploration activities outside Colombia in 2006 through our Brazilian subsidiary, Ecopetrol Óleo e Gás do Brasil Ltda. Our foreign subsidiaries have subsequently entered into a number of joint venture exploration agreements with regional and international oil companies to explore blocks in Peru, Brazil and the U.S. Gulf Coast. We have limited experience exploring outside Colombia. We may face new and unexpected risks involving environmental and other legal requirements beyond those we currently face.

The results of operations and financial condition of our subsidiaries in these countries also may be adversely affected not only by risks associated with hydrocarbon exploration and production, but also by fluctuations in their local economies, political instability and government actions, including: the imposition of price controls, the imposition of restrictions on hydrocarbon exports, fluctuation of local currencies against the Peso, the nationalization of oil and gas reserves, increases in export tax and income tax rates for crude oil and oil products, and unilateral (governmental) institutional and contractual changes, including controls on investments and limitations on new projects.

Any of these conditions occurring could disrupt or terminate our operations, causing our development activities to be curtailed or terminated in these areas, or our production to decline; limit our ability to pursue new opportunities; affect the recoverability of our assets; or cause us to incur additional costs or delay the timeline of our projects.

Our future performance depends on the successful development and deployment of new technologies and the knowledge to apply and improve them.

Technology, knowledge and innovation are essential to our business, especially for improvements in the production of heavy crude oil, the exploitation of mature fields and the development of unconventional hydrocarbons. If we do not develop the right technology or do not obtain the expertise to operate new technology or to improve our processes, do not have access to, or do not deploy the knowledge necessary to apply and improve such technology effectively, the execution of our Strategic Plan, our profitability and our earnings may be adversely affected.

We may not be able to achieve our corporate goals if we face difficulty in finding competent successors to our current management and employees.

Our growth strategy and the successful achievement of our corporate goals depend on the competence and skills of our management and employees, and our ability to successfully recruit new employees, in particular technical specialists such as petroleum engineers and scientists, as well as our ability to retain our current employees. If our managers and employees decide to retire or leave us, it may be difficult for us to find adequate successors with the required skills, knowledge, leadership and qualifications for the job. In addition, we may face difficulties in retaining our key managers and employees because of the high level of competition for human resources with experience and knowledge in the oil and gas industries. Furthermore, our compensation structure may not be able to meet industry levels and as a result our key employees may leave for jobs offering higher compensation.

Inability to develop human capacity and capability, both across the organization and in specific operating locations, could jeopardize performance delivery. Execution of short- and long- and term goals will depend on recruiting and retaining high-quality employees. See "Item 6. Directors, Senior Management and Employees-Employees."

Legislation and regulatory initiatives relating to hydraulic fracturing and other drilling activities for unconventional oil and gas reserves could increase the cost of implementing our Strategic Plan and the future costs of doing business or cause delays and adversely affect our operations.

Hydraulic fracturing is a commonly used process that involves injecting water, sand and small volumes of chemicals into the wellbore to fracture the hydrocarbon-bearing rock thousands of feet below the surface to facilitate higher flow of hydrocarbons into the wellbore. We expect to begin to use hydraulic fracturing combined with horizontal drilling in the production of oil and natural gas from certain reservoirs, especially shale formations. The Government has not issued any permits for the exploration and exploitation of unconventional hydrocarbons. The Government has promulgated a new technical regulation, Ministry of Mines and Energy Resolution 90341 of 2014, which sets forth technical requirements and procedures for unconventional reservoirs exploration and exploitation, particularly for the use of hydraulic fracturing and the construction of wells. As a complement to this technical regulation, the Colombian national environmental authority is preparing a terms of reference for environmental impact assessment for unconventional reservoirs exploration and exploitation. Outside Colombia a number of groups have proposed initiatives to, among other things: further regulate hydraulic fracturing practices; limit water withdrawals and water use; require disclosure of fracturing fluid constituents; restrict which additives may be used; and implement temporary or permanent bans on hydraulic fracturing. Should Colombia adopt any of these initiatives, or impose stringent regulatory and permitting requirements related to the practice of hydraulic fracturing, this could significantly increase the cost of, or cause delays in, the implementation of our Strategic Plan and adversely affect our operations and results of operations.

We may incur losses and spend time and money defending pending lawsuits and arbitrations.

We are currently a party to several legal proceedings filed against us. We are also subject to labor-related lawsuits filed by current and former employees in connection with pension plans and retirement benefits. As of December 31, 2013, we were a party to 2,357 legal proceedings relating to civil, administrative, environmental, tax, and labor claims filed against us of which 273 met the accounting threshold for an accrual provision. We allocate substantial amounts of money and time to defend against these claims, in which the claimants often seek substantial sums of money as well as other remedies. See Notes 19 and 31 to our consolidated financial statements and "Item 8. Financial Information—Legal Proceedings."

Our operations may not be able to keep pace with the increasing demand for natural gas or our natural gas supply commitments.

According to Colombian Commission for Regulation of Energy and Gas (CREG) Resolution 089 of 2013, a supplier of natural gas must possess sufficient economically viable natural gas before executing a natural gas delivery contract with a customer. In the long term we may not be able to keep up with increasing local demand for natural gas if demand outpaces the rate of our new natural gas developments and discoveries or because of the decline of our fields. As a result, we may lose market share, which may negatively impact our financial condition and results of operations.

Additionally, we are party to certain national and international gas supply contracts that have firm gas commitments. If we are unable to deliver natural gas to these clients as a result of cuts in operations, delays in the completion of projects relating to our production facilities or the acceleration of the decline in our gas production, among other reasons, we may be required to compensate our customers (which include utilities, power generators and other large customers in the Colombian market and PDVSA in Venezuela) for our failure to supply natural gas.

During 2012, delays in the start of new projects, mainly the Planta de Gas Cupiagua and projects to increase the production capacity at the Guajira fields, resulted in penalties imposed on us by our clients. The main causes of delays in the start of the new projects were: delays in processing environmental licenses for the natural gas pipeline Cupiagua-Cusiana, landslides caused by adverse weather conditions and isolated labor strikes in project areas belonging to other oil and gas companies. During 2010, 2011 and 2012, we paid the following penalties paid in compensation for non-delivery of natural gas: Ps\$85.2 billion (approximately US\$44.5 million), Ps\$2.5 billion (approximately US\$1.3 million) and Ps\$9.2 billion (approximately US\$5.2 million), respectively. Although we did not pay any such penalties in 2013, we cannot assure you that in the future we will not be subject to additional monetary fines which can in turn affect our financial condition and result of operations.

We depend on others for the construction and availability of natural gas transportation infrastructure for the transport of our gas, which may limit our ability to develop new or existing fields or lead to the deterioration of related assets and may not allow us to recover the cost of capital invested in natural gas discoveries.

We are prohibited by law from holding more than 25% of the equity of any natural gas transportation company. Therefore, there can be no assurance that the transportation infrastructure necessary to transport natural gas from the fields to distribution points and our customers will be built by third parties or that if built there will be sufficient capacity available to us for the exploitation of new natural gas discoveries or the development of existing fields. The failure to commercially exploit new or existing discoveries may result in impairment of the related assets and our inability to recover the capital expenditures invested to make these natural gas discoveries. As a result, we may be required to enter into agreements with natural gas transportation companies on terms that are not favorable to us.

For example, we have developed natural gas reserves in the Cusiana and Cupiagua fields, but transportation capacity to deliver gas from these fields is currently limited.

Our operations could be affected by conflicts with labor unions.

In the past, we have been affected by strikes and work stoppages promoted by our own and our industry's labor unions. These strikes are most prevalent during collective bargaining negotiations, some of which occurred prior to April 2009 during the negotiations of our current collective bargaining agreement, which expires on June 30, 2014. That agreement covers three labor unions that exist in the industry: Petroleum Workers' Labor Union (USO), ADECO and SINDISPETROL. See "Item 6. Directors, Senior Management and Employees—Employees." The negotiation of a new collective bargaining agreement with the labor unions could result in labor disputes, work slowdowns or stoppages. Although we expect that we will reach an agreement during the "direct arrangement" stage, no assurance can be given that such agreement will be reached or that the terms of such agreement will be favorable to us. According to Colombian labor legislation, the expiration of a collective bargaining agreement does not result in the termination of the conditions that were originally agreed to in the expired collective bargaining agreement. In this case, the collective bargaining agreement will be extended until a new agreement is signed or an arbitral award is rendered.

During 2013, there were a number of work stoppages organized and promoted by employees of certain of our contractors and subcontractors, and promoted by the USO. One stoppage affected our subsidiary Equi3n, which was caused by workers of the firm Ismocol. Similarly, there was a stoppage that took place during the collective bargaining process between Reficar and the contractor CB&I. Our subsidiary Bionergy was also affected by another stoppage caused by workers of the company Colmáquinas and by workers of the contractor Montajes JF.

Those stoppages did not have a material adverse effect on our operations. We cannot assure you that we will not experience labor unrest in the future. If relations with the labor unions deteriorate, which could result in strikes, work stoppages or even sabotage, our results of operations and financial condition could be adversely affected.

Our activities may be interrupted or affected by external factors, such as abnormal weather conditions and natural disasters.

We are exposed to several risks that may partially interrupt our activities. They include fires or explosions, natural disasters, criminal acts and acts of terror, malfunction of pipelines and emission of toxic substances.

For instance, in 2011 we were affected by weather conditions that intensified the strength of the average rain season in Colombia, causing landslides due to the abnormal concentration of water in the soil. These abnormal landslides affected transportation of crude oil by trucks, transportation of crude oil, natural gas and other products by pipelines and the normal operation of our production fields and Reficar, which experienced floods at its facilities as a result of torrential rains.

On December 23, 2011, our Salgar-Cartago pipeline ruptured. We believe that this incident occurred as a result of a creep movement as a consequence of severe weather conditions in the area, causing the surrounding soil to exert strong pressure on the pipeline, causing it to rupture. The spilled gasoline from the pipeline subsequently came into contact with a heat source which ignited it causing several explosions, resulting in 33 fatalities, 77 injuries, and damaged and destroyed property. On December 11, 2011, our Ca3o Lim3n-Cove3as oil pipeline ruptured as a result of soil movement caused by the heavy rainy season. While the accident did not result in any fatalities, it resulted in crude oil spilling into the Iscala creek. See "Item 4. Information on the Company—Transportation Infrastructure—Incidents at Transportation Facilities."

As a result of the occurrence of any of the above, our activities could be significantly affected or paralyzed. These risks could result in property damage, loss of revenue, loss of life, pollution and harm to the environment, among others. If any of these occur, we may be exposed to economic sanctions, damages, fines or penalties in addition to the costs required to repair or remediate the related damage. These costs, fines and penalties may adversely affect our financial condition and results of operations.

Our operations, which includes activities in areas classified as indigenous reserves and Afro-Colombian lands are subject to social risks.

We carry out and plan to carry out exploration and production activities in areas classified by the Government as indigenous reserves (*resguardos*) and Afro-Colombian lands (*territorios colectivos*). We may not be able to undertake exploration or production activities in these areas until we reach an agreement with the indigenous or Afro-Colombian communities living on these lands. In order to undertake exploration and production activities we must first comply with the Previous Consultancy process, set forth by Colombian law. Generally these consultation processes last between four to six months, but may be significantly delayed if we cannot reach an agreement with the communities. For example, we conduct operations in areas in the Northeastern region, which are inhabited by the U'wa community. Commencement of operations on two blocks in this region have been delayed, in each case, for 21 years and 11 years as of December 2013, because that community has refused to participate in the consultation process and the applicable legislation does not contemplate any alternatives in such a case. The U'wa community still refuses to permit hydrocarbon exploration or exploitation in their territory. In regions like Sucre and Tolima, the communities are divided into "councils" (*cabildos*) that claim to be treated like independent communities. In La Guajira, territorial conflicts or population growth leads to the creation of new settlements within that jurisdiction that must be considered in the decision-making process. Difficulties in determining the precise legal boundaries of the Orinoquia region require us to conduct detailed baseline surveys prior to our activities in the region.

These consultation processes may be lengthy and require that we devote substantial resources and manpower in order to reach an agreement. No assurance can be given that we will be able to reach an agreement with the different communities or that the communities will participate in such processes. We may be exposed to similar delays due to opposition from local communities in other countries where we carry out exploration activities in indigenous reserves, such as Peru.

Our activities are also subject to social risks, including protests by communities surrounding our operations. For example, during the construction of the Bicentenario oil pipeline, construction was suspended as a result of lockouts used by communities in the area of influence of the oil pipeline to demand greater participation of the Government and social investment, as well as greater participation of private companies in the development plans of towns in the departments of Arauca and Casanare. While we are committed to operating in a socially responsible manner, we may face opposition from local communities with respect to our current and future projects and such opposition could adversely affect our business, results of operations and financial condition.

Our operations are subject to extensive regulation.

The Colombian hydrocarbons industry is subject to extensive regulation and supervision by the Government and regulatory agencies in matters including the award of exploration and production blocks by the ANH, the imposition of specific drilling and exploration obligations, restrictions on production, price controls, capital expenditures and required divestments. Existing regulation applies to virtually all aspects of our operations in Colombia and abroad. The commercialization activities of some of our products also face extensive regulation. Such regulation is subject to change by the applicable regulator affecting our ability to commercialize our products. See "Item 4. Information on the Company-Overview by Business Segment-Regulatory Framework."

The terms and conditions of the agreements with the ANH under which we explore and produce crude oil and natural gas generally reflect negotiations with the ANH and other governmental authorities and may vary by fields, basins and hydrocarbons discovered.

We are required, as are all oil companies undertaking exploratory and production activities in Colombia, to pay a percentage of our production to the Government as royalties. The oil and gas reserve figures included in this annual report are net of such royalties. The Colombian Congress has modified the royalty program for crude oil and natural gas production several times in the last 20 years, as it has modified the regime regulating new contracts entered into with the Government. In the future, the Colombian Congress may once again amend royalty payment levels for new contracts and such changes could have an adverse effect on our future exploration and production in Colombia. See “Item 4. Information on the Company–Overview by Business Segment–Regulatory Framework” for a description of the current royalty scheme.

Our operations in Colombia are subject to extensive national, state and local environmental regulations. Environmental rules and regulations are applicable to our exploration, production, refining, transportation, supply and marketing activities, as well as the biofuels we produce. These regulations establish, among other things, quality standards for hydrocarbon products, air emissions and greenhouse gases, water discharges and waste disposal, environmental standards for abandoned crude oil wells, soil remediation, water pollution and the general storage, handling, transportation and treatment of hydrocarbons in Colombia. Currently, all exploratory projects drilling in areas that do not yet have a license must undergo an environmental impact assessment and must receive an environmental license from the governmental agency responsible for awarding environmental licenses, the Environmental License National Agency or ANLA. The Ministry of the Environment routinely inspects our crude oil fields, refineries and other production sites and may decide to open investigations which may result in fines, restrictions on operations or other sanctions in connection with potential non-compliance with environmental laws.

We are also subject to regional environmental regulations issued by the *corporaciones autónomas regionales* or CARs, or regional environmental authorities, which oversee compliance with each region’s environmental regulations. If we fail to comply with any of these national or regional environmental regulations, we could be subject to administrative and criminal penalties, including warnings, fines or closure orders of our facilities. See “Item 4. Information on the Company–Overview by Business Segment–Environmental Matters.”

Environmental regulation has become more stringent in Colombia in recent years and as a result we have allocated a greater percentage of our expenditures toward compliance with applicable law, and dedicated a management team in charge of environmental compliance. If environmental laws continue to impose additional costs on us, and as new laws and regulations relating to climate change become applicable to us, we may need to reduce our investments on strategic projects in order to allocate funds to environmental compliance. We are also exposed to delays in obtaining environmental licenses from ANLA, which can lead to cost overruns or to changes in our investment plans. These additional costs may have a negative impact on the profitability of the projects we intend to undertake or may make them economically unattractive, in turn having a negative impact on our results of operations and financial condition.

We are subject to foreign environmental regulations for the exploratory activities conducted by us outside Colombia. Failure to comply with foreign environmental regulations may result in investigations by foreign regulators, which could lead to fines, warnings or temporary suspensions of our operations, which could have a negative impact on our financial condition and results of operations.

Under certain of our credit agreements, we are under an obligation to comply with international environmental standards established by our lenders or by multilateral institutions. Failure to comply with such environmental standards could result in an event of default under the relevant credit agreements that we, or our subsidiaries, have entered into, which would affect our financial condition. For instance, the credit facility executed by Reficar for the financing of its expansion and modernization project includes an obligation to comply with the U.S.-Exim Environmental Procedures and Guidelines and the Organization for Economic Co-operation and Development (OECD) Common Approaches on Environment and Officially Supported Export Credits, and a credit agreement executed by Ecopetrol S.A. to finance purchases of U.S. goods and services requires Ecopetrol S.A. to comply with the U.S.-Exim Environmental Procedures and Guidelines.

In addition, we may be subject to foreign health and safety and environmental regulations for our exploratory activities conducted outside Colombia. Foreign health and safety regulations may be more severe than those established under Colombian law and, therefore, we may be required to make additional investments to comply with those regulations.

We have made significant investments in acquisitions and we may not realize the expected value.

We have acquired interests in several companies in Colombia and abroad. See "Item 4. Information on the Company." Obtaining the expected benefits of the acquisitions will depend, in part, on our ability to (1) obtain the expected operational and financial results from these acquisitions, (2) manage disparate operations and integrate distinct corporate cultures and (3) manage our objectives as a corporate group. These efforts may not succeed. Our failure to successfully obtain the expected results from our acquisitions could adversely affect our financial condition and results of operations.

Our subsidiaries Refinería de Cartagena S.A. (Reficar) and Bioenergy are currently engaged in their own construction projects. If those projects are delayed or cost more than we projected, our operating results and financial condition may be affected.

Reficar has raised US\$3.5 billion through a limited-recourse project financing in which we have acted as sponsor and have provided both a construction support and a debt service guarantee. If the construction of the project to upgrade the Cartagena refinery is delayed because of operational problems, we may be required to provide sufficient financial resources, either by means of capital contributions or by the extension of a subordinated loan, so that the project can reach completion. Operational problems may include, but are not limited to, labor productivity or unavailability of construction material in the development of the project, or failure of the upgraded refinery to reach the expected performance level in terms of the quality of products and/or volumes produced. If we are required to provide additional capital or guarantees, other strategic projects may be delayed or cancelled, thereby affecting our operating results and financial condition. Additionally, delays in the implementation of the project may result in larger capital expenditures, which could increase the overall cost of the project and impact our financial position.

During 2013 and 2014 we were called upon to provide Reficar with financial support beyond the US\$3.5 billion Reficar raised through limited-recourse project financing. First, in 2013, Reficar requested approximately US\$1 billion under the Construction Support Agreement, which was contributed as follows: (i) US\$750 million by a shared capitalization process carried out by its main shareholders Ecopetrol S.A. and Andean Chemicals Ltd and (ii) US\$252 million from a subordinated loan from Ecopetrol Capital AG. Any increase in the project's capital expenditures is expected to be funded under the Construction Support Agreement between Reficar and us.

In 2014, Reficar requested US\$1.35 billion under the Construction Support Agreement. This amount will be contributed as follows: (i) a capitalization process carried out by its main shareholders Ecopetrol S.A. and Andean Chemicals Ltd and (ii) a subordinated loan from Ecopetrol Capital AG. See "Item 4. Information on the Company—Overview by Business Segment—Refining and Petrochemicals—Reficar."

Bioenergy is constructing an ethanol plant with an installed capacity of 480,000 liters per day. Mechanical completion of the project was delayed, which caused the delay of other milestones of the project, including the start of its commercial operation. Currently, the project is expected to be in commercial operation in mid-2016 mainly due to poor performance by the EPC contractor, which has also led to social and labor strikes. We are currently reviewing the budgeted amount of the project and a possible schedule to achieve its completion. Thus, we may be required to provide additional funding in excess of the original budgeted amounts. Any increase in the project's capital and preoperative expenditures are expected to be funded by capitalization. This operation is being analyzed by Bioenergy's shareholders in order to determine whether the minority stakeholders will participate in funding or have their stakes in Bioenergy diluted.

Other investment projects that are part of our Strategic Plan could face similar planning and implementation problems, which could impact the competitiveness of our programs and projects, adversely affecting our results of operation and financial condition.

Our results may be affected by the performance of our business partners, as many of our operations are executed under association and joint venture agreements with business partners.

Many of our operations are executed through associations, joint ventures and other agreements with our business partners. Consequently, we depend on the performance of our business partners. The poor performance of any of our business partners, especially in those projects in which we do not act as operators, could negatively impact oil and natural gas production, which in turn could have a negative impact on our results of operations and financial condition. In addition, we are exposed to the risk of not finding business partners with the appropriate skills and performance that we require for our projects.

Our insurance policies do not cover all liabilities and may not be available for all risks.

Our insurance policies do not cover all liabilities, and insurance may not be available for all risks. There can be no assurance that incidents will not occur in the future, that insurance will adequately cover the entire scope or extent of our losses or that we will not be found liable in connection with claims arising from these and other events, which could adversely affect our financial condition and results of operations.

A failure in our information technology systems or cyber security attacks may adversely affect our financial results.

We depend on the reliability and security of our information technology systems to conduct certain exploration, development and production activities, process and record financial and operating data, communicate with our employees and business partners, and for many other activities related to our business. Our information technology systems may fail or have other significant shortcomings due to operational system flaws or employee misuse, tampering or manipulation. In addition, we may become the target of cyber-attacks or information security breaches that could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of proprietary and other information. Any of these occurrences could disrupt our business, result in potential liability or reputational damage or otherwise have an adverse effect on our financial results. We have experienced a number of cyber attacks, and although we have not experienced any material losses relating to failure of our information technology systems or cyber incidents, there can be no assurance that we will not suffer such losses in the future.

We are exposed to behaviors incompatible with our ethics and compliance standards.

Given the large number of contracts that we are party to in Colombia and abroad with local and foreign suppliers, the geographic distribution of our operations and the great variety of actors that we interact within the course of business, we are subject to the risk that our employees, contractors, or any person having business relations with us may misappropriate our assets, manipulate our assets or information or engage in money laundering or the financing of terrorism, for such person's personal or business advantage. Our systems for identifying and monitoring these risks may not be effective to fully mitigate them in all situations. Such acts may result in material financial losses or reputational harm to the Company.

Unavailability of electric power may affect or limit the continuity of our operations or growth.

Ecopetrol's energy demand is expected to increase significantly in 2015 to 1,422 MW of which 88.33% would be supplied through self-generation, and the remaining 11.67% by unregulated purchases of electrical energy in the open market. Given the growth in production and the start of a new transport and refining system, it is possible that during the next few years there will be insufficient electrical energy for our operations. This is because of the unavailability of market power given the delay of several energy transmission and generation infrastructure projects, the increase in the share of consumption by non-regulated users, and because of high dependency on the execution of self-generation and transmission that are exposed to a number of risks, including high volatility in national energy conditions (such as hydrology, availability of natural gas), licensing restrictions and attacks on infrastructure, among others.

Risks relating to Colombia's political and regional environment

Colombia has experienced internal security issues that have had or could have a negative effect on the Colombian economy and on us.

Colombia has experienced internal security issues, primarily due to the activities of guerrillas, paramilitary groups, drug cartels and criminal bands known as *Bacrim*. From time to time, guerrillas target crude oil and multi-purpose pipelines, including the Oleoducto Transandino, Caño Limón-Coveñas and Ocensa pipelines, and other related infrastructure disrupting our activities and those of our business partners. During 2013, the attacks against our pipeline infrastructure increased by 49% in relation to 2012 (151 attacks in 2012 compared with 225 attacks in 2013). This situation especially affected the infrastructure located in Putumayo, Nariño, Arauca and Norte de Santander and the following pipelines: San Miguel Orito, Transandino and Caño Limón Coveñas. On several occasions, guerilla attacks have resulted in unscheduled shutdowns of transportation systems in order to repair or replace sections of pipelines or production facilities that have been damaged and deferral of production in certain fields, and have also caused us to undertake environmental remediation. The direct cost of repairs to our pipeline infrastructure due to terrorist attacks in 2013 was approximately Ps\$60.2 billion (US\$32 million). Guerrilla groups and other illegal armed groups also attacked natural gas transportation infrastructure that have affected our natural gas production in the past. These activities, their possible escalation and the effects associated with them have had, and may have in the future, a negative impact on the Colombian economy or on us, which may affect our customers, employees, assets or the environment, with resulting containment, clean-up and repair expenses. In the context of this complex security situation, allegations and court judgments have been levied against members of the Colombian Congress and on government officials for possible ties with illegal groups. This situation may have a negative impact on the credibility of the Colombian government, which could in turn have a negative impact on the Colombian economy or on us in the future.

The Colombian government engaged in 2012 in negotiations with the Revolutionary Armed Forces of Colombia, or FARC, the largest guerrilla group in Colombia, with a view to end the armed conflict. This is the latest attempt in a series of unsuccessful negotiations between the Colombian government and the FARC. While the process is ongoing, military operations and hostilities continue. If the negotiations fail, the intensity of the internal armed conflict is likely to continue, which could negatively impact our future operating results. We cannot assure you that, if the negotiations turn out to be successful, certain guerrilla groups may not continue their illegal and terrorist activities which could affect our operations.

There have been certain events in Colombia and abroad, which have resulted in political tensions between Colombia and some of its neighboring countries.

Diplomatic relations between Colombia and some of its neighboring countries, in particular Ecuador and Venezuela, have been tense in the past. These political tensions were heightened by the Colombian Government's allegations that neighboring countries are supporting the guerilla groups, as well as by claims made by Venezuela stating that the Colombian army has entered its territory while in pursuit of FARC members. The Colombian army and air force continue to combat FARC members in Colombian territory, including Colombia's borders with neighboring countries. Although relations with these countries have stabilized recently, there can be no assurance that similar allegations could not be made again that may result in new and heightened tensions with Colombia's neighbors, which have had in the past, and could have in the future, a negative impact on Colombia's economy and general security situation.

Companies operating in Colombia, including us, are subject to the prevailing economic conditions and the investment climate in Colombia, which may be less stable than the prevailing economic conditions and investment climate in developed countries.

Market prices of securities issued by Colombian companies, including us, are subject to the prevailing economic conditions in Colombia. A large portion of our assets and operations are located in Colombia and most of our sales are currently derived from our crude oil and natural gas production and the production of our refineries located in Colombia. Accordingly, our financial condition and results of operations depend to a significant extent on macroeconomic and political conditions prevailing from time to time in Colombia and on the rates of exchange between the Peso and the U.S. dollar.

The investment and security climate in Colombia continues to be tied to the results and performance of President Juan Manuel Santos's economic, security and social policies and the perception of such policies by foreign investors. Since his election in 2010, President Juan Manuel Santos has continued policies to increase foreign investment in Colombia as well as to improve relations with neighboring countries, which have resulted in economic stability for Colombia. In 2013, Colombia's annual gross domestic product increased by 4.3%. Mining activities accounted for 7.7% of Colombian GDP and grew 4.9% year-on-year. Oil and gas production accounted for 72% of mining activities. In 2012, Colombia's annual gross domestic product increased by 4% due principally to an increase of 5.9% in crude oil and mining production.

If the perception of improved overall security in Colombia deteriorates or if the investment climate worsens, the Colombian economy may face lower growth rates than the ones posted recently, which could negatively affect our financial condition and results of operations. Furthermore, the market price of our shares and American Depositary Shares, or ADSs, may be adversely affected by changes in governmental policies, particularly those affecting economic growth, exchange rates, interest rates, inflation and taxes. The Government has changed monetary, fiscal, taxation, labor and other policies over time and has thus influenced the performance of the Colombian economy. We have no control over the extent and timing of government intervention and policies.

Colombian political and economic conditions have a direct impact on our business and may have a material adverse effect on us.

Colombia's economic policies may have direct impact on our company as well as market conditions and the prices of securities. Our financial condition and results of operations may be adversely affected by the following factors and the Government's response: devaluations and other exchange rate movements; inflation; exchange control policies; price instability; interest rates; liquidity of domestic capital and lending markets; tax policy; regulatory policy for the oil and gas industry, including pricing policy; and other political, diplomatic, social and economic developments in or affecting Colombia.

Uncertainty over whether the Government will implement changes in policy or regulations that may affect any of the factors mentioned above or other factors in the future may lead to economic uncertainty in Colombia and increase the volatility of the Colombian securities market and securities issued abroad by Colombian companies, which may have a material adverse effect on our results of operations and financial condition.

Developments and the perception of risk in other countries, especially emerging market countries, may adversely affect the market price of Colombian securities, including our ADSs.

Securities issued by Colombian companies may be affected by economic and market conditions in other countries, including other Latin American and emerging market countries. Although economic conditions in Latin American countries and in other emerging market countries may differ significantly from economic conditions in Colombia, investors' reactions to developments in these other countries may have an adverse effect on the market value of securities of Colombian issuers.

Due to past financial crises in several emerging market countries (such as the Asian financial crisis of 1997, the Russian financial crisis of 1998 and the Argentine financial crisis of 2001), the world financial crisis of 2008 and the recent sovereign debt crises in certain European countries, investors may view investments in emerging markets with heightened caution. In the past, as a result of crises in other countries, flows of investments into Colombia have been reduced. Crises in other countries, especially in emerging market countries, may hamper investor enthusiasm for securities of Colombian issuers. If Latin America experiences a new slow-down or if the price for securities of Latin American issuers falls, the price for our ADSs could follow this trend and could be adversely affected.

Our controlling shareholder's interests may be different from those of our minority shareholders.

Colombian Law 1118 of 2006 requires the Nation to maintain the majority of our outstanding capital stock. The Nation currently holds 88.49% of our outstanding capital stock, making it our controlling shareholder. The Nation as our controlling shareholder has majority voting rights at the shareholders' meeting to elect the members of our Board of Directors. The Nation may propose and approve decisions that are in its own interest and in furtherance of its own economic and political interests that do not necessarily benefit minority shareholders.

Our controlling shareholder may approve dividends at the ordinary general shareholders' meeting, notwithstanding the interest of minority shareholders, in an amount that results in us having to reduce our capital expenditures, thereby negatively affecting our prospects, results of operations and financial condition. See "Item 8. Financial Information—Dividends."

Additionally, given our controlling shareholder's interests, it may undertake projects, approve decisions or make announcements about its intentions related to its holding of our capital stock which may not be in our best interest or in the best interest of our minority shareholders, including holders of our ADSs, and could impact the price of our shares or ADSs.

The Government may delay the payment of gasoline and diesel fuel price differentials and proposed legislation regarding the differentials, if enacted, could have a negative impact on our financial condition, results of operations and liquidity.

The Government regulates domestic prices of liquid fuels according to a formula based on international market prices. When domestic prices of liquid fuels are lower than international parity prices, the Government is responsible for paying importers or refiners the difference, which is called the fuel price differential, pursuant to Law 1151 of 2007, through the Fuel Stabilization Fund (*Fondo de Estabilización de Precios de los Combustibles*) or FEPC. The fuel price differential is calculated on a monthly basis and reported to the Ministry of Mines and Energy on a quarterly basis. In recent periods, however, payment of the differentials has been significantly delayed. See "Item 5. Operating and Financial Review and Prospects—Gasoline and Diesel Price Differentials."

Similar to the approach followed by other countries, the FEPC has been funded with payments by producers when international prices are lower than the internal price and, as described above, depleted when international prices are higher, in order to mitigate the effects of international gasoline and diesel fuel price volatility on the domestic market. Domestic prices for end users of gasoline and diesel fuel may vary a maximum of 3% per month regardless of the size of the variation of international prices. The difference between the international and the domestic price is paid by the fund to the refiner or importer. In September 2013, a ruling of the Constitutional Court of Colombia eliminated the ability of the Colombian Government to fund the FEPC with payments from producers. Currently, funds for the FEPC must originate from the general revenues of the Colombian Government. Congress is discussing further changes to the fuel price differential methodology and funding methods for the FEPC.

Delays in fuel price differential payments make it difficult to determine when we will collect any such payments. Any material delay in the payment of these fuel price differentials by the Government or significant changes to laws imposing additional responsibilities on us with respect to the FEPC, or altering the calculation of fuel price differentials or the formulas for establishing the price of domestic liquid fuels, could have a negative impact on our financial condition, results of operations and liquidity.

New or higher taxes resulting from changes in tax regulations or the interpretation thereof in Colombia could adversely affect our results of operations and financial condition.

New tax laws and regulations, and uncertainties in the interpretation with respect to existing and future tax policies pose risks to us. In recent years, the Colombian Congress and tax authorities have imposed additional taxes and enacted modifications to taxes related to financial transactions, income, value added tax, or VAT, and taxes on net worth. Changes in tax-related laws and regulations, and interpretations thereof, can affect tax burdens by increasing tax rates and fees, creating new taxes, limiting tax deductions, and eliminating tax-based incentives and non-taxed income. In addition, tax authorities and tax courts may interpret tax regulations differently than we do, which could result in tax litigation and associated costs and penalties. For Colombian income tax purposes and, as a general rule, dividends that are distributed from profits taxed at the corporate level are not taxed or subject to withholding tax at the shareholder level. Tax treaty rules might also apply on dividend distributions when a shareholder is a resident in a country that has executed a tax treaty with Colombia. However, this tax treatment may change in the future, and any change could have an adverse effect on our results of operations and financial condition.

Risks relating to our ADSs

Holders of our ADSs may encounter difficulties in protecting their interests.

Holders of our ADSs do not have the same voting rights as holders of our shares. As set forth in the Deposit Agreement, ADSs may instruct our current depository, JPMorgan Chase Bank, N.A., to vote on shareholder matters prior to a shareholders' meeting. Colombia law does not, however, require Ecopetrol to request proxies from existing shareholders. Thus, shareholders may not become aware of some matters in time to instruct the depository to vote their shares.

The Deposit Agreement provides ADSs with the right to instruct the depository to vote common shares separately. The viability of this contractual provision is unclear. This is because regulatory agencies have advanced inconsistent positions regarding whether a depository must vote common shares as a single block or may vote them separately. Going forward, the Colombian regulatory authorities may change their interpretation as to how the voting rights should be exercised by ADS holders, and such possible interpretation could adversely affect the value of the common shares and ADSs.

Our ADSs holders may be subject to restrictions on foreign investment in Colombia.

Colombia's International Investment Statute regulates the manner in which non-Colombian residents can invest in Colombia and participate in the Colombian securities market. Among other requirements, Colombian law requires foreign investors to register certain foreign exchange transactions with the Colombian Central Bank and outlines the necessary procedures to authorize certain types of foreign investments. Colombian law requires that certain foreign exchange transactions, including international investment in foreign currency between Colombian residents and non-Colombian residents, must be made through authorized foreign exchange market participants. Any income or expenses under our American Depositary Receipt, or ADR, program must be made through the foreign exchange market.

Investors acquiring our ADRs are not required to register with the Colombian Central Bank, as they will benefit from the registration to be obtained by the custodian for our common shares underlying the ADRs in Colombia. If investors in ADRs choose to surrender their ADRs and withdraw common shares, they must register their investment in the common shares as a portfolio investment through their local representative, which may be a brokerage firm, trust company or investment management companies supervised by the Superintendency of Finance. Investors will only be allowed to transfer dividends abroad after their foreign investment registration procedure with the Colombian Central Bank has been completed. Investors withdrawing common shares could incur expenses and/or suffer delays in the application process. The failure of a non-resident investor to report or register foreign exchange transactions with the Colombian Central Bank relating to investments in Colombia on a timely basis may prevent the investor from remitting dividends, or initiate an investigation that may result in a fine. In the future, the Government, the Colombian Congress or the Colombian Central Bank may amend Colombia's International Investment Statute or the foreign investment rules, which could result in more restrictive rules and could negatively affect trading of our ADSs.

While Colombia currently has a floating exchange rate system, it is subject to change. If a more restrictive system is implemented, the depository may experience difficulties converting Peso amounts into U.S. dollars to remit dividend payments. See "Item 10. Additional Information—Exchange Controls."

Holders of our ADSs may not be able to effect service of process on us, our directors or executive officers within the United States, which may limit your recovery in any foreign judgment you obtain against us.

We are a mixed economy company organized under the laws of Colombia. In addition, most of our Directors and executive officers reside outside the United States. All or a substantial portion of our assets and the assets of these persons are located outside of the United States. As a result, it may not be possible for you to effect service of process within the United States upon us or these persons or to enforce judgments against us or them in U.S. courts obtained in such courts predicated upon the civil liability provisions of the U.S. federal securities laws. Colombian courts determine whether to enforce a U.S. judgment predicated on the U.S. securities laws through a procedural system known as *exequatur*. For a description of these limitations, see "Enforcement of Civil Liabilities."

The protections afforded to minority shareholders in Colombia are different from those in the United States, and may be difficult to enforce.

Under Colombian law, the protections afforded to minority shareholders are different from those in the United States. In particular, the legal framework with respect to shareholder disputes is substantially different under Colombian law than U.S. law and there are different procedural requirements for commencing shareholder lawsuits, such as shareholder derivative suits. As a result, it may be more difficult for our minority shareholders to enforce their rights against us or our Directors or controlling shareholder than it would be for shareholders of a U.S. company.

ADRs do not have the same tax benefits as other equity investments in Colombia.

Although ADRs represent Ecopetrol's common shares, for Colombian tax purposes, ADRs are securities different from their underlying assets. Therefore, ADR holders are not entitled to the tax benefits—e.g., those relating to dividends and profits from the sale of Colombian common shares—granted to holders of the common shares. Such tax benefits are, among others, those relating to dividends and profits derived from sale of Colombian common shares. For further information see "Item 10. Additional Information—Taxation—Colombian Tax Considerations."

Judgments of Colombian courts with respect to our ADSs will be payable only in Pesos.

If proceedings are brought in the courts of Colombia seeking to enforce the rights of ADS holders of common shares, we will be required to discharge our obligation amounts in Pesos. Colombian law provides that an obligation in Colombia to pay amounts denominated in foreign currency may only be satisfied in Colombian currency at the Representative Market Exchange Rate of the date the judgment is obtained, and such amounts are then adjusted to reflect exchange rate variations through the effective payment date.

The relative volatility and illiquidity of the Colombian securities markets may substantially limit our investors' ability to sell our ADSs at the price and time they desire.

Investing in securities that are traded in emerging markets, such as Colombia, often involves greater risk when compared with other world markets, and these investments are generally considered to be more speculative in nature.

The Colombian securities market is substantially smaller, less liquid, more concentrated and can be more volatile than other securities markets. The Colombian Stock Exchange (*Bolsa de Valores de Colombia*), or BVC, had a market capitalization of approximately Ps\$413,916 billion (US\$214.8 billion using the closing rate for 2013) as of December 31, 2013, a 14.4% decrease when compared with the amount at the end of 2012, a daily average trading volume of approximately Ps\$167,538 million (US\$89.6 million, using the average exchange rate for 2013), an 11% decrease when compared with the volume in 2012. By comparison, the New York Stock Exchange, or NYSE, had a market capitalization of US\$17.94 trillion as of December 31, 2013, and a daily trading volume of approximately US\$37.53 billion in 2013.

As of December 31, 2013, our shares represented the highest market capitalization of the BVC with 37% of the total. In addition, they had the highest trading volume in the BVC, averaging Ps\$21,103 million traded per day. On November 1, 2013, the *Índice General de la Bolsa de Valores de Colombia*, or IGBC, and the COL20 index were replaced by a new set of indexes: COLCAP, COLEQTY, COLSC and COLIR, all weighted by the adjusted market capitalization of the issuers. COLCAP reflects the price volatility of the 20 most-liquid stocks; COLEQTY is composed by 40 stocks whose liquidity is measured as follows: volume (80%), frequency (15%) and rotation (5%); COLSC comprises the 15 stocks with the lower market capitalization in the COLEQTY; and COLIR includes the issuers that were recognized for their best practices in Investor Relations for the Colombian Stock Exchange and that are also part of the COLCAP.