ECOPETROL S. A.
Unconsolidated financial statements

As at December 31, 2013
(Compared to the figures as at December 31, 2012)
With statutory auditor´s report

Statutory auditor's report
(Free translation from the original in Spanish)

To the Shareholders of
Ecopetrol S. A.

February 21, 2014

I have audited the unconsolidated balance sheet of Ecopetrol S.A. as of December 31, 2013 and the related unconsolidated statements of financial, economic, social and environmental activities, of changes in shareholders' equity and of cash flows for the year then ended, as well as the summary of the main accounting policies as set forth in Note 1 and other explanatory notes. The unconsolidated financial statements of Ecopetrol S. A. as of December 31, 2012 were audited by another public accountant, who in report dated February 20, 2013 expressed an unqualified opinion thereon.

The Company's management is responsible for the preparation and fair presentation of these financial statements in conformity with the generally accepted principles for government accounting promulgated by the National Accounting Office. This responsibility includes designing, implementing and maintaining internal control relevant for the financial statements to be free of material misstatements, whether due to fraud or error; selecting and applying the appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

My responsibility is to express an opinion on such unconsolidated financial statements based on my audit. I obtained the information necessary to comply with my statutory audit functions, and I performed my work in accordance with the auditing standards generally accepted in Colombia. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit of financial statements involves, amongst other, performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence obtained provides a reasonable basis to support the opinion I express in the following paragraph.

PricewaterhouseCoopers Ltda., Calle 100 No. 11A-35, Bogotá, Colombia
Tel: (57-1) 634 0555, Fax: (57-1) 218 8544, www.pwc.com/co

To the Shareholders' Meeting of
Ecopetrol S. A.

February 21, 2014

In my opinion, the aforementioned unconsolidated financial statements audited by me, which were faithfully taken from the accounting books, present fairly, in all material respects, the financial position of Ecopetrol S. A. at December 31, 2013 and the results of its operations and its cash flows for the year then ended, in conformity with the generally accepted principles for government accounting promulgated by the National Accounting Office, which were applied on a basis consistent with that from the preceding year.

Based on the outcome of my audit tests, it is my opinion that:

a. The Company's accounting records were kept in conformity with legal regulations and accounting technique.

b. The operations recorded in the books and the acts of the management officials were adjusted to the bylaws and to the decisions of the Shareholders' Meeting.

c. The correspondence, the accounting vouchers and the minutes books and share register were properly kept and safeguarded.

d. Adequate internal control measures, of prevention and control of asset laundering, and of preservation and custody of the Company's assets and those of third parties in its possession were observed.

e. Due concordance existed between the accompanying unconsolidated financial statements and the management's report to the shareholders.

f. The information included in the forms for self-computation of the contributions to the Integral Social Security System, and particularly the data relating to the affiliates and their revenues on which quotations to the system were based, was taken from the accounting records and supporting documents. The Company is not in delay of payment of contributions to the Integral Social Security System.

(Original in Spanish signed by:)

Luisa Fernanda Salcedo S.
Statutory Auditor
Professional Card No. 14622-T
Member of PricewaterhouseCoopers Ltda.

(Free translation from the Original in Spanish)

Certification of the Company's Legal Representative and Accountant

To the Shareholders of Ecopetrol S.A.

February 21, 2014

The undersigned, Legal Representative and Accountant of the Company, hereby certify that the Company's unconsolidated financial statements as at December 31, 2013 and 2012, have been faithfully taken from the accounting books and that, before making them available to you and to third parties, we have verified the following assertions contained therein:

1. All assets and liabilities included in the Company's unconsolidated financial statements as at December 31, 2013 and 2012, exist, and all transactions included in these financial statements have been made during the periods ended on those dates.

2. All economic facts carried out by the Company, for the periods ended December 31, 2013 and 2012, have been recognized in the unconsolidated financial statements.

3. The assets represent probable future economic benefits (rights) and the liabilities represent probable current and future economic obligations, which the Company had obtained or was responsible for as at December 31, 2013 and 2012.

4. All balances have been recognized at their proper values in accordance with generally accepted public accounting principles enacted by the National Accounting Office (from the Spanish *Contaduría General de la Nación* - CGN).

5. All economic facts affecting the Company have been accurately classified, described and disclosed in the unconsolidated financial statements.

(Original in Spanish signed by:)

Javier G. Gutiérrez Pemberthy
President

Alberto Vargas Peñalosa
Certified Public Accountant
P. L. 167682 - T

(Free translation from the Original in Spanish)

ECOPETROL S. A.
Unconsolidated Balance Sheets
As at December 31, 2013 and 2012
(Expressed in millions of Colombian pesos)

Assets	2013	2012
Current assets:		
Cash and cash equivalents (notes 2 and 3)	3.901.277	5.260.111
Investments (notes 2 and 4)	1.469.255	1.367.014
Accounts and notes receivable, net (notes 2 and 5)	6.347.082	4.512.756
Inventories, net (note 6)	2.560.491	2.393.400
Advances and deposits (notes 2 and 7)	7.338.928	4.306.331
Prepaid expenses (note 8)	70.001	70.490
Total current assets	21.687.034	17.910.102
Long term assets:		
Investments (notes 2 and 4)	35.218.103	18.651.177
Accounts and notes receivable, net (note 5)	1.594.709	1.562.097
Advances and deposits (notes 2 and 7)	398.788	163.532
Deposits held in trust (note 9)	314.395	323.665
Property, plant and equipment, net (note 10)	20.286.196	22.935.477
Natural and environmental resources, net (note 11)	17.518.335	15.694.807
Deferred charges (note 12)	3.519.867	3.327.021
Other assets (notes 2 and 13)	2.747.229	3.402.438
Valuations	10.756.572	16.677.664
Total assets	114.041.228	100.647.980
Liabilities and Shareholders' Equity		
Current liabilities:		
Financial obligations (notes 2 and 14)	342.410	574.712
Accounts payable and related parties (notes 2 and 15)	8.404.635	10.522.981
Taxes, contributions and duties payable (note 16)	7.934.093	7.196.787
Labor and pension liabilities (note 17)	226.658	207.037
Estimated liabilities and provisions (notes 2 and 18)	1.722.243	1.115.513
Total current liabilities	18.630.039	19.617.030
Long term liabilities:		
Financial obligations (notes 2 and 14)	11.977.888	4.900.907
Labor and pension liabilities (note 17)	4.277.832	4.063.881
Taxes, contributions and duties payable (note 16)	-	476.494
Estimated liabilities and provisions (note 18)	4.914.864	4.227.341
Other long-term liabilities (note 19)	2.446.080	2.103.815
Total liabilities	42.246.703	35.389.468
Shareholders' Equity (Note 20 and see attached unconsolidated statement)	71.794.525	65.258.512
Total liabilities and Shareholders' Equity	114.041.228	100.647.980
Memorandum accounts (note 21) :		
Debtors	132.941.485	131.388.436
Creditors	(97.287.957)	(109.085.671)

The accompanying notes are an integral part of the Unconsolidated Financial Statements

(Original in Spanish signed by:)

Javier G. Gutiérrez Pemberthy	Alberto Vargas Peñalosa	Luisa Fernanda Salcedo S.
President	Certified Accountant	Statutory Auditor
See attached Certification)	P. L. 167682 - T	P. L. 14622 - T
	(See attached Certification)	(See attached report)

(Free translation from the Original in Spanish)

ECOPETROL S. A.

Unconsolidated Statements
of Financial, Economic, Social and Environmental Activities
For the years ended December 31, 2013 and 2012
(Expressed in millions of Colombian pesos, except for net income per share
which is expressed in Colombian pesos)

	2013	2012
Revenues (note 22):		
Domestic sales	22.244.435	19.991.064
Foreign sales	40.269.844	39.533.522
Total revenues	62.514.279	59.524.586
Cost of sales (note 23)	38.435.508	33.817.770
Gross margin	24.078.771	25.706.816
Operating expenses (note 24):		
Administration	1.012.750	630.951
Operation and projects	3.438.651	2.971.016
Operating income	19.627.370	22.104.849
Non-operating income (expenses):		
Financial income (expenses), net (note 25)	(102.017)	(225.593)
Pension expenses (notes 17 and 26)	(478.737)	(948.455)
Inflation gain (note 27)	-	97.197
Other income (expenses), net (note 28)	367.537	20.490
Results from subsidiaries, net (note 29)	962.332	477.145
Income before income tax	20.376.485	21.525.633
Income tax (note 16)	7.023.499	6.552.683
Net income for the year	13.352.986	14.972.950
Net income per share	324,76	364,16

The accompanying notes are an integral part of the Unconsolidated Financial Statements

(Original in Spanish signed by:)

Javier G. Gutiérrez Pemberthy	Alberto Vargas Peñalosa	Luisa Fernanda Salcedo S.
President	Certified Accountant	Statutory Auditor
See attached Certification)	P. L. 167682 - T	P. L. 14622 - T
	(See attached Certification)	(See attached report)

(Free translation from the Original in Spanish)

ECOPETROL S. A.
Unconsolidated Statement of Changes in Shareholders´ Equity
For the years ended December 31, 2013 and 2012
(Expressed in million of Colombian pesos, except for the dividend per share which is expressed in Colombian pesos)

	Subscribed and paid-in capital	Additional paid-in capital	Legal and other reserves	Incorporated institutional equity	Equity method surplus	Valuation surplus	Public Accounting Regime Effect	Accumulated Retained earnings	Total Shareholders´ Equity
Balance as at December 31, 2011	**10.279.175**	**6.788.144**	**9.179.411**	**174.080**	**4.358.294**	**9.479.961**	**(696.360)**	**15.448.333**	**55.011.038**
Distribution of dividends ($300 per share)	-	-	-	-	-	-	-	(12.335.009)	(12.335.009)
Additional paid-in capital	-	10.390	-	-	-	-	-	-	10.390
Additional paid-in capital receivable	-	155.713	-	-	-	-	-	-	155.713
Valuation surplus	-	-	2.123.538	-	-	-	-	(2.123.538)	-
Property, plant and equipment revaluation	-	-	-	-	-	7.197.703	-	-	7.197.703
Legal reserve appropriation	-	-	-	-	-	-	680.129	-	680.129
Regulatory Decre 2336/95 reserve appropriation	-	-	187.958	-	-	-	-	(187.958)	-
Corporate Group unrealized reserve	-	-	605.135	-	-	-	-	(605.135)	-
Transportation infrastructure integrity reserve	-	-	1.829.362	-	-	-	-	(1.829.362)	-
Release of the Corporate Group´s reserves for unrealized gains	-	-	(1.086.070)	-	-	-	-	1.086.070	-
Dividend payment (shares issued in 2011) reserve appropriation	-	-	(449.904)	-	-	-	-	449.904	-
Release of Regulatory Decree 2336/95 reserves previous year	-	-	(96.695)	-	-	-	-	96.695	-
Equity method capital surplus and exchange rate adjustment	-	-	-	-	(940.277)	-	-	-	(940.277)
Adjustment in conversion of foreign subsidiaries	-	-	-	-	505.875	-	-	-	505.875
Net income for the year	-	-	-	-	-	-	-	14.972.950	14.972.950
Balance as at December 31, 2012	**10.279.175**	**6.954.247**	**12.292.735**	**174.080**	**3.923.892**	**16.677.664**	**(16.231)**	**14.972.950**	**65.258.512**
Balance as at December 31, 2012	**10.279.175**	**6.954.247**	**12.292.735**	**174.080**	**3.923.892**	**16.677.664**	**(16.231)**	**14.972.950**	**65.258.512**
Distribution of dividends ($291 per share)	-	-	-	-	-	-	-	(11.964.959)	(11.964.959)
Additional paid-in capital receivable	-	45	-	-	-	-	-	-	45
Additional paid-in capital - called in guarantees	-	82	-	-	-	-	-	-	82
Valuation surplus	-	-	-	-	-	(5.921.092)	-	-	(5.921.092)
Property, plant and equipment revaluation	-	-	-	-	-	-	1.364	-	1.364
Regulatory Decre 2336/95 reserve appropriation	-	-	215.407	-	-	-	-	(215.407)	-
Release of Regulatory Decree 2336/95 reserves previous year	-	-	(1.829.362)	-	-	-	-	1.829.362	-
Corporate Group unrealized reserves appropriation	-	-	3.461.741	-	-	-	-	(3.461.741)	-
Appropriation of reserves for new explorations	-	-	2.595.112	-	-	-	-	(2.595.112)	-
Appropriation of reserves for investment projects investment	-	-	2.628.878	-	-	-	-	(2.628.878)	-
Appropriation of reserves for drilling infill campaign	-	-	1.260.000	-	-	-	-	(1.260.000)	-
Release of the Corporate Group´s unrealized reserves prior years	-	-	(2.595.112)	-	-	-	-	2.595.112	-
Release transportation infrastructure integrity reserve	-	-	(605.135)	-	-	-	-	605.135	-
Release of the Corporate Group´s unrealized reserves	-	-	(2.123.538)	-	-	-	-	2.123.538	-
Equity method capital surplus and exchange rate adjustment	-	-	-	-	901.570	-	-	-	901.570
Equity method capital surplus	-	-	-	-	10.165.790	-	-	-	10.165.790
Adjustment incorporated institutional equity	-	-	-	227	-	-	-	-	227
Net income for the year	-	-	-	-	-	-	-	13.352.986	13.352.986
Balance as at December 31, 2013	**10.279.175**	**6.954.374**	**15.300.726**	**174.307**	**14.991.252**	**10.756.572**	**(14.867)**	**13.352.986**	**71.794.525**

The accompanying notes are an integral part of the Unconsolidated Financial Statements

(Original in Spanish signed by:)

Javier G. Gutiérrez Pemberthy
President
(See attached Certification)

Alberto Vargas Peñalosa
Certified Accountant
P. L. 167682 - T
(See attached Certification)

Luisa Fernanda Salcedo S.
Statutory Auditor
P. L. 14622 - T
(See attached report)

(Free translation from the Original in Spanish

ECOPETROL S. A.
Unconsolidated Statements of Cash Flows
For the years ended December 31, 2013 and 2012
(Expressed in millons of Colombian pesos)

	2013	2012
Cash flows from operating activities:		
Net income for the year	13.352.986	14.972.950
Adjustments to reconcile net income to net cash provided by operating activities:		
Deferred Income tax and CREE, net	(60.511)	(36.621)
Property, plant and equipment depreciation	1.303.087	1.323.631
Foreign exchange (gain) loss	14.849	437.514
Amortization:		
Natural resources	2.468.106	2.202.663
Facility abandonment	283.947	312.252
Intangibles	282.401	291.884
Deferred charges	196.849	154.101
Allowances:		
Accounts receivable	29.225	69.337
Inventory	1.997	-
Property, plant and equipment	68.310	310.071
Legal disputes and proceedings	102.284	580.750
Pension liabilities for health and education	226.244	869.491
Pension transfer	804.358	-
Investments	9	-
Recovery of allowances:		
Accounts receivable	(2.247)	(225)
Inventories	-	(6.467)
Property, plant and equipment	(63.856)	(121.864)
Legal disputes and proceedings	(307.113)	(258.784)
Pension transfer	-	(241.624)
Other	(57.307)	(37.191)
Property, plant and equipment write-off	830	127
Recovery of property, plant and equipment	(152.964)	-
Goodwill impairment	353.012	-
Natural and environmental resource write-off	19.438	34.191
(Profit) loss in investments valuation	(2.637)	64.875
(Profit) equity method	(962.332)	(477.145)
Net changes in asset and liabilities:		
Accounts receivable	(6.112.782)	(537.927)
Inventories	(59.876)	(334.681)
Deferred charges and other assets	512.053	564.919
Accounts payable	103.074	2.029.707
Tax payable	1.075.824	(886.367)
Labor and pension obligations	(797.030)	34.197
Estimated liabilities and allowances	741.978	(142.893)
Other long-term liabilities	(414.231)	(432.917)
Net cash provided by operating activities	12.947.975	20.737.954
Cash flows from investing activities:		
Payment and advance for companies capitalization, net from acquired cash	(72.400)	-
Increase in investments	(10.456.593)	(14.911.124)
Redemption and sale of investments	11.227.329	12.776.096
Dividends received	98.281	83.988
Investment in natural and environmental resources	(4.123.147)	(4.221.959)
Additions to property, plant and equipment	(3.056.363)	(4.686.842)
Proceeds from sale of natural resources	100.790	-
Proceeds from sales of property, plant and equipment	2.000	-
Net cash used in investing activities	(6.280.103)	(10.959.841)
Cash flows from financing activities:		
Financial obligations	6.457.835	(489.540)
Capitalizations	82	10.390
Dividends paid	(14.570.465)	(8.419.332)
Net cash used in investing activities	(8.112.548)	(8.898.482)
Net (Decrease) increase in cash and cash equivalents	(1.444.676)	879.631
Exchange rate difference in cash and cash equivalents	85.842	(116.872)
Cash and cash equivalents at the beginning of the year	5.260.111	4.497.352
Cash and cash equivalents at the end of the year	3.901.277	5.260.111
Additional cash flow information		
Interests paid	417.553	391.165
Income tax paid	6.835.239	7.913.516

The accompanying notes are an integral part of the Unconsolidated Financial Statements

(Original in Spanish signed by:)

Javier G. Gutiérrez Pemberthy
President
See attached Certification)

Alberto Vargas Peñalosa
Certified Accountant
P. L. 167682 - T
(See attached Certification)

Luisa Fernanda Salcedo S.
Statutory Auditor
P. L. 14622 - T
(See attached report)

(1) Economic Entity and Principal Accounting Policies and Practices

Reporting Entity

Ecopetrol S.A. (hereinafter Ecopetrol or the Company) was constituted by Act 165 of 1948 and transformed through Extraordinary Decree 1760 of 2003 (as well as Decree 409 of 2006) and Act 1118 of 2006 into a state-owned stock company and then into a mixed economy Company of a commercial nature, at the national level, linked to the Ministry of Mines and Energy, with an indefinite life term. Ecopetrol's corporate purpose is the development, in Colombia or abroad, of commercial or industrial activities arising from or related to the exploration, production, refining, transportation, storage, distribution, and selling of hydrocarbons, their by-products and associated products, as well as subsidiary operations, connected or complementary to these activities, in accordance with applicable regulations. Ecopetrol's main domicile is Bogotá, Colombia, and it may establish subsidiaries, branches and agencies in Colombia or abroad.

Pursuant to Transformation Decree 1760 of 2003, all administration of the Colombian nation's hydrocarbon reserves, as well as the administration of non-strategic assets represented by stocks and shares in companies, were separated from Ecopetrol. Furthermore, Ecopetrol's basic structure was changed and two entities were created: a) the *Agencia Nacional de Hidrocarburos* (National Hydrocarbons Agency, hereinafter ANH) was created to issue and develop Colombian oil policy from that point forward (formerly the responsibility of Ecopetrol), and b) *Sociedad Promotora de Energía de Colombia S.A.*, which received the non-strategic assets owned by Ecopetrol.

Act 1118 of December 27, 2006 changed the legal nature of Ecopetrol and authorized the Company to issue shares to be placed on the public market and acquired by Colombian individuals or legal entities. Once the shares corresponding to 10.1% of the authorized capital were issued and placed, at the end of 2007, the Company became a public-private entity of a commercial nature, at the national level, related to the Ministry of Mines and Energy.

Ecopetrol entered into a deposit agreement with JP Morgan Chase Bank, N.A., as depositary, for the issuance of ADSs evidenced by ADRs. Each of the ADSs represents 20 of Ecopetrol's common shares or the right to receive 20 common shares of Ecopetrol.

On September 12, 2008, Ecopetrol submitted an application to the U.S. Securities and Exchange Commission (SEC) to register and list the Company's ADSs evidenced by ADRs on the New York Stock Exchange (NYSE). The Company's ADSs began trading on the NYSE under the "EC" symbol on September 18, 2008.

On December 3, 2009, the National Oversight Commission for Entities and Securities of Peru (from the Spanish *Comisión Nacional Supervisora de Empresas y Valores del Peru* - CONASEV) approved the listing of Ecopetrol's ADRs on the Lima Stock Exchange and the registration of such securities with the Public Registry of the Securities Market. The ADRs began trading on the Lima Stock Exchange on December 4, 2009 in the Peruvian market under the "EC" symbol.

On August 13, 2010, Ecopetrol began trading its ADRs on the Toronto Stock Exchange - Canada. Thus, Ecopetrol became the first Colombian company to be listed on the Toronto Stock Exchange.

Between July 27 and August 17, 2011, Ecopetrol carried out the second placement of its public offering, authorized by Act 1118 of 2006. As a result of this process, 644,185,868 common shares were issued at a nominal price of $3,700 per share, for a total amount of $2,383,488. The common shares were registered with the National Registry of Securities and Issuers in accordance with Decree 2555 of 2010. Following this, the Colombian National Government's equity participation in Ecopetrol was 88.49%.

The Company carries out exploration and production operations through Exploration and Production (E&P) Contracts, Technical Evaluation Contracts and Agreements (TEA) signed with the ANH, as well as through Association Contracts and other types of contracts in various forms. The following is the situation at the December 2013 closing:

Type of contracts	N° Contracts
Exploration	
E&P - ANH Contracts	47
E&P - ANH Agreements	6
TEA's - ANH	7
Association Contracts	3
Production	
Partnership	51
Discovered not developed fields	9
Incremental production	5
Risk participation	3
Shared risk participation	1
Business cooperation	1
Technological partnership	1
Production services with risk	1
Participation agreements	1
Total	136

Principal Accounting Policies and Practices

The Contaduría General de la Nación – (CGN National Accounting Office) adopted the Public Accounting Regime (RCP) in September 2007, defining its configuration, scope and application. Pursuant to CGN Communication No. 20079-101345 of September 28, 2007, the RCP went into effect for Ecopetrol on January 1, 2008.

(a) Basis of Presentation

The unconsolidated financial statements were prepared in conformity with accounting standards and principles for Colombian Government entities issued by the CGN and other legal provisions. These principles may differ in certain respects from those established by other standards and other control authorities and CGN concepts on specific matters prevail over other regulations.

The accrual method was applied for the accounting recognition of financial, economic, social and environmental activities.

A structure was established in accordance with the rules for the inspection, supervision, and/or control of Ecopetrol to define the accounting treatment of operations not covered by the CGN. The structure involves: i) Principal and permanent inspection, supervision, and control: Superintendence of Domiciliary Public Services; ii) residual control: Superintendence of Corporations; and iii) concurrent control: Superintendence of Finance, of the activities of the Company in its capacity as issuer in the stock market. International Financial Reporting Standards (IFRS) are applied to define regulatory differences, while accounting standards under Generally Accepted Accounting Principles in the United States (USGAAP) are applied for accounting issues related to crude oil and natural gas activities.

The basic unconsolidated financial statements defined by the CGN comprise the Balance Sheet, the Statement of Financial, Economic, Social and Environmental Activity, the Statement of Changes in Shareholders' Equity and the Statement of Cash Flows. The notes to the basic unconsolidated financial statements are an integral part thereof.

These unconsolidated financial statements do not consolidate the assets, liabilities, equity or income in subordinated companies. Investments recorded in those companies are recognized using the equity method. The annual unconsolidated financial statements are submitted to the General Assembly of Shareholders and are the basis for dividend distribution and other appropriations; however, pursuant to legal requirements, the Company must also submit consolidated financial statements to the General Shareholders' Meeting for approval every year.

(b) Materiality Criterion

An economic fact is material whenever, due to its nature, amount and surrounding circumstances, the knowledge or ignorance of it, may significantly alter the economic decisions of users of such financial information.

As set forth by the RCP, the information disclosed in the financial statements and financial accounting reports must cover the main aspects of the Government Accounting entity in a way that must be significantly close to the truth, so that it is relevant and reliable for decision-making purposes or the required evaluations based on accounting information objectives. Materiality depends on the nature of the facts or the magnitude of the amounts disclosed or not revealed.

The unconsolidated financial statements include specific headings in accordance with legal requirements or for elements representing 5% or more of total assets, current assets, total liabilities, current liabilities, working capital, equity and income, as appropriate. In addition, lower amounts are shown when they are deemed to contribute to a better interpretation of financial information.

(c) Use of Estimates

The preparation of unconsolidated financial statements requires that the Company's management make estimates and assumptions that could affect the recorded amounts of assets, liabilities, results of operations and the attached notes. These estimates are determined in accordance with technical criteria, judgment and premises pursuant to regulations and current legal provisions. Current market value may be different from those estimates.

(d) Foreign Currency Transactions

Foreign currency transactions are recognized in accordance with applicable regulations and recorded at the appropriate exchange rates on the transaction date. Balances denominated in foreign currency are expressed in Colombian pesos at representative market exchange rates at the end of each period.

The exchange difference resulting from asset adjustments is recorded in results; exchange differences from adjustments to liabilities are applied to the related assets until they are ready for use or sale; the adjustment is subsequently charged to results of operations.

In accordance with Decree 4918 of December 26, 2007 issued by the Ministerio de Comercio, Industria y Turismo (Ministry of Trade, Industry and Tourism), the exchange difference generated from variable income investments in subordinated companies abroad is recorded at the higher or lower value of the shareholders' equity; when the investment is settled, this value is recorded in the results for the period.

While performing its oil industry activities, the Company can freely deal in foreign currencies, provided that it complies with the provisions of the Colombian exchange rate regime.

(e) Joint Venture Contracts

Joint venture contracts are entered into between Ecopetrol and third parties in order to share risk, secure capital, maximize operating efficiency and optimize the recovery of reserves. In these joint ventures, one party is designated as the operator and each party takes its share of the hydrocarbons (crude oil or gas) produced according to its participation in production. When Ecopetrol participates as a non-operator partner, it records the assets, liabilities, revenues, costs and expenses based on information reported by the operators. When Ecopetrol is the direct operator of the joint venture contract, it records 100% of the assets, liabilities, revenues, costs and expenses, and recognizes on a monthly basis the distribution according to the participation interests of each partner in the applicable line items corresponding to assets, liabilities, expenses, costs and revenues for the associate.

(f) Cash and Cash Equivalents

Cash and cash equivalents are represented by negotiable investments with maturity dates within ninety (90) days following their acquisition, and are recorded as liquidity management investments.

Cash from joint operations in which the Company is the operating partner corresponds to advances from partners according to their contractually agreed participation percentages, and the funds are managed in a joint operation exclusive - use bank account.

(g) Derivative Financial Instruments

The Company enters into hedging agreements to hedge against international fluctuations in crude oil prices, product prices and exchange rates. The difference between the contract value and market value generated by hedging operations is recognized as financial income or expense in the statements of financial, economic, social and environmental activities. Ecopetrol does not use these financial instruments for speculative purposes.

(h) Investments

The investments are classified as: i) Liquidity Management Investments, ii) Investments for Policy Purposes and iii) Equity Investments.

i. Liquidity management investments correspond to resources invested in debt and participative securities with the objective of obtaining profits through short-term price fluctuations. They are initially recorded at their historical cost and they are subsequently recorded based on valuation methods issued by the Superintendence of Finance of Colombia.

ii. Investments for policy purposes are made up of national or foreign debt securities acquired in compliance with the macroeconomic or internal policies of the entity, which include investments held through their maturity date and those available for sale. The latter being those which are kept for at least one (1) year, as of the first day on which they were classified for the first time, or when they were reclassified.

   Investments held to maturity are updated based on the Internal Rate of Return (IRR) as set out in the methodology adopted by the Superintendence of Finance, and the investments for the purpose of macroeconomic policy and those available for sale must be updated based on the methodology adopted by the Superintendence of Finance for tradeable investments.

iii. Equity investments are classified as being in controlled and uncontrolled entities. Equity investments in controlled entities are recognized at their acquisition cost whenever it is lower than the intrinsic value; otherwise, they are recognized at the intrinsic value, and the difference between the purchase price and the intrinsic value corresponds to goodwill.

Their values are updated using the equity method, as established in CGN Resolution 145 of 2008.

Investments in entities in which Ecopetrol and/or its subsidiaries exert significant influence are recorded using the equity method.

Significant influence is defined as the power that the entity has, whether or not the percentage of ownership is 50% or lower, to participate in setting and directing the financial and operational policies of another entity for the purpose of obtaining profits from that entity.

Significant influence may be present in one or more of the following ways:

- Representation on the Board of Directors or equivalent governing body of the associate;
- Participation in policy-making;
- Significant transactions between the investor and the associated entity;
- Secondment of officers; or
- Supplying essential technical information.

Non-strategic equity investments in uncontrolled entities (see note 4) include low or minimum tradability securities, or shares not listed on any stock exchange. They do not enable any type of control or significant influence and are recognized at historical cost. Their change in value arises from periodically comparing the cost of the investment to its intrinsic value or its value on the stock market.

Equity variations originating in the adjustment for conversion of the controlled entity are recognized as a surplus by the equity method, notwithstanding that the subaccount may show a debit balance; the above is in compliance with Resolution 193 of July 27, 2010 issued by the National Accounting Office.

(i) Accounts and Notes Receivable and Allowance for Doubtful Accounts

Debts owed to the Company are recorded at their original amount or at the value accepted by the debtor, subject to periodic updating according to legal provisions in force, or according to agreed-upon contract terms.

The accounts receivable provision is reviewed and updated periodically based on the age of the balances and the recovery analysis of individual accounts. The Company carries out the necessary administrative and legal steps to recover overdue accounts receivable and to collect interest from clients who do not comply with payment policies.

Accounts and notes receivable are only written off against the allowance when there is reasonable legal or material certainty of the total or partial loss of the incorporated or represented right.

(j) Related Parties

Assets, liabilities and transactions with companies belonging to the Ecopetrol Business Group are presented as Related Parties.

(k) Inventories

Inventories include assets extracted, in production progress, transformed or acquired for any reason, for the purpose of being sold, transformed or consumed in the production process, or as part of services delivered. Ecopetrol uses a perpetual inventory system.

Inventories are recorded at historical cost or at purchase price, including direct and indirect charges incurred to prepare the inventory for sale or production.

The value of inventories is measured using the weighted average cost method, taking into account the following parameters:

- Inventories of oil produced by the Company, at average production cost;
- Crude oil purchases, at acquisition costs, including transportation and delivery costs incurred;
- Inventory of finished products, at total production costs;
- Inventory of products in progress, at production costs; and
- Inventory of raw materials, at weighted average cost.

Raw materials and supplies in joint ventures are controlled by the operator and reported in a joint account at the acquisition cost (recorded in the original currency at average costs). Inventory consumption is charged to the joint venture as cost, expense or investment, as appropriate.

Furthermore, inventories are valued at the lower value of market or average cost, and in-transit inventories are appraised at actual cost incurred. At the end of the fiscal year, allowances are calculated to take into account impairment, obsolescence, excess, slow movement or loss of market value.

(l) Property, Plant and Equipment and Depreciation

Property, plant and equipment were recorded at inflation-adjusted historical cost until 2001. This cost includes financial expenses and the exchange rate difference for foreign currency acquisition until commissioning of the asset, as well as financial revenues from the unused portion of financial obligations acquired to finance investment projects. When an asset is sold or disposed of, the adjusted cost and accumulated depreciation are written off and any gain or loss is recorded in the year's results.

Depreciation is calculated on the total acquisition cost using the straight-line method, based on the assets' useful life which is reviewed periodically. Annual depreciation rates are as follows:

	%
Buildings and pipelines	5
Plant and equipment	10
Transportation equipment	20
Calculation equipment	33.3

Disbursements for maintenance and repairs are recorded as expenses. Significant disbursements that improve efficiency of an asset or extend its useful life are capitalized as an increase in the value of that asset.

The value of property, plant and equipment is subject to periodic revaluation by comparing the net book value with the value determined through technical appraisals. When the value of an asset's technical appraisal is greater than its net book cost, the difference is recorded as an asset valuation and credited to the surplus account for equity valuation; otherwise, it is recorded as an allowance for devaluations and charged to income.

Up to 2007, a devaluation provision was accounted for in the revaluations surplus account according to accounting standards in force.

Upon termination of an association contract, Ecopetrol receives, at no cost, the property, plant and equipment and materials. These transactions do not affect Ecopetrol's results. The results of the appraisal of property, plant and equipment are recognized as appraisals in the corresponding asset and equity accounts.

(m) Natural and Environmental Resources

Ecopetrol follows the successful-efforts method of accounting for investments in exploration, production or development areas. Geological and geophysical studies are recorded in expenses as they are incurred. Acquisition and exploration costs are capitalized until it is determined whether the exploration drilling was successful or not. If they are not successful, all of the costs incurred are charged to expenses. When a project is approved for development, the accumulated value of the acquisition and exploration costs are classified in the oil investment account. Capitalized cost also include asset retirement costs. Asset and liability balances related to asset retirement costs are updated every year. Production and support equipment is accounted for on a historical cost basis and is included in property, plant and equipment subject to depreciation.

Oil investments are amortized by applying the amortization factor based on technical units of production and proven developed reserves, net of royalties, based on a field basis, estimated as at December 31 of the immediately preceding year. The amortization charged to income is adjusted at the end of December, recalculating the DD&A (Depletion, Depreciation and Amortization) as of January 1 of the current year, based on the reserve study updated at the end of the current year.

In the same way that it receives property, plant and equipment upon termination of an association contract, Ecopetrol receives, at no cost, the associate's amortizable oil investments.

Ecopetrol has established a corporate process for reserves led by the Reserves Directorate, which reports directly to the Vice President of Corporate Finance. The reserves are audited by internationally recognized external consultants and approved by the Company's Reserves Committee. Proven reserves consist of the estimated quantities of crude oil and natural gas demonstrated with reasonable certainty by geological and engineering data to be recoverable in future years from known reserves under existing economic and operating conditions, that is, at the prices and costs that apply at the date of the estimate.

Estimating hydrocarbon reserves is subject to several uncertainties inherent in determining proven reserves, including the production recovery rates, the timeliness in making the investments to develop oilfields and the degree of maturity of fields.

When it is determined that a well located in the exploration zone does not have proven reserves, it is classified as dry or non-commercial, and the accumulated costs of such well are taken to expenses in the same year in which this is determined.

Since Ecopetrol became an issuer on the Colombian Stock Exchange (*Bolsa de Valores de Colombia* - BVC) and the New York Stock Exchange - NYSE, the Company has applied the methodology approved by the SEC (Securities Exchange Commission) for estimating reserves.

Pursuant to the provisions of Resolution 494 of December 22, 2009, issued by the ANH, Ecopetrol complies with the delivery of information to the ANH using the methodology of (SPE-PRMS) Oil Resource Administration System. The reserves shown in the reports are audited by three independent reservoir engineering firms.

(n) Deferred Charges

Deferred charges include: i) Deferred income tax and deferred income tax for equality CREE resulting from the temporary differences between the basis for determining commercial gains and taxable net income at the end of each period. The deferred tax is amortized during the periods in which the temporary differences that originated it are reversed. ii) The net equity tax, which is amortized until 2014. iii) investments made to develop collaboration contracts are amortized based on technical units of production.

(o) Other Assets

Other assets include goodwill, which corresponds to the difference between the purchase value of equity investments in controlled or joint-control entities, and their intrinsic value, which reflects the economic benefits expected to be achieved from the investment, created by brand name, specialized personnel, preferential credit reputation, prestige due to sale of better products and services, favorable location and the expectations of new business, among other things.

Goodwill is amortized using the straight-line method over the term for expected recovery of the investment, which is from 10 to 18 years. At the close of each accounting period, Ecopetrol must evaluate goodwill to determine whether the conditions for the generation of future economic benefits still exist; otherwise, the asset must be written off. If the book value of equity investment plus the book value of goodwill, which includes its historical cost and price adjustments and amortizations, is greater than the market value, the asset should, as a result of such difference, be written off in the period, and charged to income, and the reasons for the said decision should be disclosed.

Intangible assets such as software, licenses and patents are recognized at acquisition, development or production cost. Intangible assets are amortized using the straight-line method over the periods during which the benefits arising from the incurred costs and expenses are expected to occur, or during the term of the legal or contractual coverage of the granted rights.

Goods acquired through financial leasing are subject to depreciation in order to recognize the loss of operational capacity by their utilization. In public accounting entities of the general government, depreciation of goods acquired through financial leasing affects directly the equity, except for assets used in activities of production of goods and rendering of services which must be recognized as acost or expense.

Improvements and works performed on leasehold property or third party property different from those that can be recognized as property, plant and equipment will be amortized over the shortest period between the term of the contract covering the use of the property, and the estimated useful life of the assets, as a result of the additions or improvements made, only when the cost of the works and improvements made is not reimbursable. In the case of public accounting entities of the government, amortization affects equity, except for works and improvements in property used in activities for the production of goods and rendering of services which must be recognized as a cost.

(p) Valuations

a. Investments

Valuations correspond to differences between the net book value of the investments and their intrinsic value or quoted price on the Stock Exchange.

b. Property, plant and equipment

Valuations and the valuation surplus of property, plant and equipment correspond to the difference between the net book value and the market value for real estate or the Current Use Value (CUV) for plant and equipment, determined by specialists registered with the Colombian Real Estate Association or by suitable technical personnel, as appropriate.

The methodology used for valuation of plant and equipment is the Current Use Value (CUV) for running businesses, for the economic valuation of assets, taking into account the facilities' current conditions and their useful life in terms of production capability and ability to generate income.

It is not mandatory to adjust the value of moveable property when its historical value, taken individually, is lower than 35 current minimum monthly legal wages, or of property, plant and equipment located in high risk zones.

(q) Financial Obligations

Public credit operations correspond to any action or contract which, in compliance with legal regulations on public credit, are addressed to supply the Company with resources, goods and services under specific payment terms such as loans, issue and placement of bonds and public credit securities, and supplier's credit.

With respect to loans, public credit operations must be recorded for the actual disbursed amount, while bonds and securities placed are recorded at their nominal value. Placement costs are carried directly to expenses.

(r) Income Tax

The income tax provision as of December 2013 was calculated by applying to the accounting profit before taxes, the effective taxation rate calculated for December 2013. This rate includes both the income tax and the income tax for equality CREE.

The effect of temporary differences that imply the payment of a lower or higher income tax in the current year, is accounted for as deferred tax asset or liability, both for the income tax and for the income tax for equality CREE, as applicable, provided that there is a reasonable expectation that such differences will be reversed in the case of the deferred tax asset, or sufficient taxable income is generated to recover the tax in respect to the deferred tax liability. The deferred tax is calculated at the rate of 34% (25% ordinary income tax and 9% income tax for equality CREE) or of 33% (25% ordinary income tax and 8% income tax for equality CREE) as applicable.

(s) Labor and Pension Liabilities

Salaries and benefits for Ecopetrol staff are governed by the Collective Labor Agreement 01 of 1977, and in their absence, by the Substantive Labor Code. In addition to the legally mandated benefits, employees are entitled to fringe benefits, which are subject to the place of work, type of work, length of service, and basic salary. Annual interest of 12% is recognized on accumulated severance amounts for each employee, and the payment of indemnities is provided for when special circumstances arise that result in the non-voluntary termination of the contract, without just cause, and in periods other than the probationary period.

The actuarial calculation includes active employees, as described in the paragraphs below, with indefinite term contracts, pensioners and heirs, for pension, health care and education plans; similarly, it includes pension bonds for temporary employees, active employees and voluntary retirements. Health care and education obligations do not comprise pension liabilities; they are part of benefit obligations.

All social benefits of employees who joined the Company before 1990 are the responsibility of Ecopetrol, without the involvement of any social security entity or institution. The cost of health services for the employee and his/her relatives registered with the Company is determined by means of the mortality table, prepared based on facts occurring during the year. Similarly, Ecopetrol calculates educational allowances according to experience, based on the annual average cost of each business, subdivided in accordance with the type of studies: Pre-school, elementary, high school and university.

For employees who joined the Company subsequent to the entry into effect of Act 50 of 1990, the Company makes periodic contributions for severance payments, pensions and occupational injuries to the funds created for these respective obligations. Similarly, Act 797 of January 29, 2003 determined that Ecopetrol employees who joined the Company as of that date would be subject to the provisions of the General Pension Regime.

Pursuant to Legislative Act 01 of 2005, enacted by the Colombian Congress, the pension regimes, excludes the General Social Security System in Colombia expired on July 31, 2010. In accordance with the provisions therein, the Ministry of Social Protection's judicial pronouncement on the matter and the analysis conducted by Ecopetrol's labor advisers, it was concluded that those workers who had met the age and continuous or discontinuous service time requirements of the law, the Collective Bargaining Agreement in effect and/or Agreement 01 of 1977, prior to August 1, 2010, had consolidated their right to their pension. However, it was mandatory for other workers, who were not covered, to join the General Pension System. The pension administrator chosen by the worker (either Colpensiones or Private Pension Fund or whichever may correspond) would be responsible for recognizing and paying the respective pension.

As set out in Decree 941 of 2002, upon approval of the actuarial calculation by the Ministry of Finance in October 2008, and upon approval of the mechanism by the Ministry of Social Protection through the Administration Act of December 29, 2008, the Company partially switched over the value corresponding to monthly pension payments from its pension liabilities, transferring the said liabilities and their underlying amounts to pension-related autonomous equities (PAP, per its acronym in Spanish). The funds transferred, and returns on those funds, cannot be redirected nor can they be returned to the Company until all of the pension obligations have been fulfilled.

The transferred liability corresponds only to pension allowances and pension bonds. The portion relating to health care and education services remains within Ecopetrol's labor liabilities.

At each period end, Ecopetrol must review the amount reported by the PAP with respect to the value of the pension liability updated based on the latest actuarial calculation. In the event that the equity yields are insufficient to cover 100% of the liability, the Company must recognize an allowance for the difference, which must be funded should the contingency materialize. Ecopetrol remains materially responsible for payment of the pension liabilities.

Through Resolution 1555 of July 30, 2010, the Superintendence of Finance replaced the mortality tables used to prepare actuarial calculations and stipulated that the effects of the change could be recognized gradually. Subsequently, Decree 4565 of December 7, 2010 modified the accounting standards for amortization of the actuarial calculation in effect up to that date. Pursuant to the new decree, the companies that had amortized 100% of their actuarial calculation at December 31, 2009 could gradually amortize the increase in the actuarial calculation for 2010 using the new mortality tables, up to 2029.

Given the above, in 2010 Ecopetrol modified its accounting policy for amortization of the actuarial calculation of monthly pension payments, pension quotas and bonds (transferred liabilities) and health bonds, and adopted a five-year term starting in 2010, to amortize the increase in the 2010 actuarial calculation. Until 2009, the yearly increase in the actuarial calculation was recorded as expenses for the period, given that the actuarial calculation was 100% amortized.

Resolution 717 of December 2012 amended the *Manual de Procedimiento del Régimen de Contabilidad Pública* (Regime of Public Accounting Procedure Manual) with regard to the Accounting Procedure for recognizing and disclosing the pension liability, the underlying financial reserve, and related expenses, at items 5 and 44. With regard to item 5, the indications in the previous paragraph lead to the conclusion that this item has no impact on the Company's activities within its amortization plan.

With regard to item 44, its only impact is to disclose the fact that the Reserve Funds are common funds that are also under the administration of Colpensiones. There are no further implications for Ecopetrol.

(t) Advances Received from Ecogas to Cover BOMT (Build, Operate, Maintain and Transfer) Obligations)

Pursuant to the sale of Ecogas by the National Government, and following specific instructions from CGN, the net present value of the future payment scheme in connection with Ecopetrol's debt toward BOMT contractors was recognized as deferred income. These liabilities are due in 2017, the year when the contract obligations will be fulfilled.

(u) Hydrocarbon Purchases

Ecopetrol purchases hydrocarbons that the ANH receives from all production in Colombia, at prices established according to section four of Act 756 of 2002 and Resolution 18-1709 of 2003 issued by the Ministry of Mines and Energy, taking into account international reference prices.

Ecopetrol also purchases hydrocarbons from partners and other producers in Colombia and abroad to meet the Company's needs and operating plans.

(v) Revenue Recognition

Revenue from crude oil and natural gas sales is recognized at the time of transfer of title to the buyer, including risks and rewards. In the case of refined and petrochemical products, revenue is recognized when products are shipped by the refinery and subsequently adjusted in accordance with the volumes actually delivered. Revenue from transportation services is recognized when products are transported and delivered to the buyer in accordance with sale terms. In other cases, revenue is recognized at the time it is earned and a true, probable and quantifiable right to demand its payment arises.

Under current regulations, Ecopetrol sells gasoline and diesel at a regulated price and the National Government provides a subsidy to the Company on regular gasoline and diesel (ACPM), sold to local consumers. The amount is determined by adding the difference, for every day of the month, between the producer's regulated revenues and the daily price equivalent to the U.S. Gulf Coast reference price, calculated according to origin and multiplied by the daily volumes sold. Resolution 182439 and Decree 4839 of December 2008 established the procedure for recognizing subsidies in the event they are negative (negative value between parity and regulated prices).

In March 2010, the Ministry of Mines and Energy issued Resolution No. 180522, which revoked provisions that were contrary to Resolutions 181496 of September, 2008, 182439 of December 30, 2008 and 180219 of February 13, 2009 and modified the formula for computing the international reference prices for gasoline and diesel.

Resolution 91658 was issued in October 2012, which modifies Resolution 180522 with regard to the subsidy procedure for refiners and importers of regular gasoline and diesel (ACPM).

(w) Cost of Sales and Expenses

Costs are recognized at their historic value for goods purchased for sale and for the accumulated production costs of goods produced and services rendered. Costs are disclosed according to the operation generating them.

Expenses correspond to the amounts required for the operation of ordinary activities and include those related to activities caused by extraordinary events. Expenses are disclosed in accordance with their nature and the occurrence of extraordinary events.

Costs and expenses are recognized upon receipt of goods or services or when there is certainty that the economic event will occur. Fuel shortages and losses due to theft and explosions are recorded as non-operating expenses.

(x) Abandonment of Fields

The Company recognizes an estimated liability for future environmental obligations, and its corresponding entry as a higher asset value for natural resources and environmental assets. The estimate includes the cost of plugging and abandoning wells, dismantling facilities and the environmental recovery of areas and wells. Amortization is recorded as production costs, using the technical-units-of-production method, based on remaining proven developed reserves. Changes resulting from new estimates of the liability for abandonment and environmental restoration are accounted for under the corresponding asset.

Depending on the scope of certain association contracts, field abandonment costs are taken on by partners according to the same participation percentages set out in each contract. Ecopetrol has not allocated funds to cover these obligations, with the exception of association contracts Casanare, Orocue, Garcero, Estero, Corocora, Monas, Guajira, Tisquirama, Cravo Norte, and Opon; however, as activities linked to field abandonment take place, they will be funded by the Company.

(y) Accounting for Contingencies

On the date of issuance of these unconsolidated financial statements, conditions might exist that could result in losses for the Company that will only be known if specific future circumstances arise. The nature and probability of such situations, as well as the amounts involved are evaluated by Management, the Vice President of Legal Affairs, and legal consultants, so that decisions can be made regarding changes to amounts provided for and/or disclosed. This analysis includes current legal suits against the Company.

The methodology used to assess legal proceedings and any contingent obligations is based on the Nation's credit system used by the Ministry of Internal Affairs and Justice.

Ecopetrol, through Instructions GSJ-I-004 for computing contingencies for legal proceedings and reconciliations, defined the way in which Ecopetrol estimated the contingent asset and liability from litigation activities. Paragraph 4.1 of the said instructions establishes the methodology for assessing contingencies for claims and arbitrations brought against Ecopetrol S. A.

A provision is recorded for legal proceedings when there is a conviction at trial court or when the risk assessment outcome is "likely to lose".

(z) Memorandum Accounts

Creditor and debtor memorandum accounts represent the estimated value of facts or circumstances that could affect the Company's financial, economic, social and environmental situation. They also disclose the value of the goods, rights and obligations that require control, and also include differences between accounting information and the information used for tax purposes.

(aa) Net Income per Share

Net income per share is calculated based on net earnings for the period, divided by the subscribed outstanding shares.

The Company does not have share-based employee incentive plans.

(bb) <u>Convergence to International Financial Reporting Standards</u>

On December 29, 2012 the Ministry of Commerce, Industry and Tourism issued the Decree 2784, by which Act 1314 of 2009 on the technical regulatory framework for preparers of financial information belonging to Group 1: Issuers of securities, public interest entities and entities that meet the parameters set out in this provision.

This technical framework was developed based on International Financial Reporting Standards - IFRS - International Accounting Standards - NIC, SIC interpretations, IFRIC interpretations and conceptual framework for financial reporting, issued in Spanish on January 1, 2012, by the International Accounting Standards Board (IASB for its acronym in English).

According to the implementation schedule, 2013 has been a period of preparation and training with the initial obligation to present an implementation plan approved by the Board, including people responsible and targets for monitoring and control. 2014 will be the transition period and 2015 will be period of full implementation of the new regulatory framework.

Pursuant to Decree 2784 of 2012, amended by Decree 3024 of 2013, it is required to prepare an opening statement of financial position as at January 1, 2014 under the new standards, so that during 2014 the transition takes place, with the simultaneous application of existing and new accounting standards.

Resolution 743 of December 17, 2013 issued by the National Accounting Office (Contaduría General de la Nación - CGN) includes the schedule of the regulatory framework attached to the National Decree 2784 of 2012 and defines the implementation period as being from January 1 to December 31, 2015. During this period, the accounting will be carried out, for all purposes under the new regulatory framework.

(2) Assets and Liabilities Denominated in Foreign Currency

Transactions and balances in foreign currency are converted at the market representative exchange rate certified by the Superintendence of Finance of Colombia.

As at December 31, 2013 and December 31, 2012, the unconsolidated financial statements include the following assets and liabilities denominated in foreign currency (converted to Colombian pesos at the closing exchange rates of $1,926.83 and $1,768.23 per US$1 respectively).

	As at December 31, 2013		As at December 31, 2012	
	Thousands of US$	Equivalent Millions of pesos	Thousands of US$	Equivalent Millions of pesos
Assets				
Cash and cash equivalents	658,634	1,269,077	411,089	726,901
Investments	8,416,074	16,216,345	7,697,377	13,610,733
Accounts and notes receivable	1,356,014	2,612,809	1,309,458	2,315,424
Advances and deposits	82,852	159,642	73,214	129,459
Other assets	427,851	824,395	7,832	13,849
	10,941,425	21,082,268	9,498,970	16,796,366
Liabilities				
Financial obligations	4,383,056	8,445,403	1,549,880	2,740,545
Estimated liabilities and allowances	86,256	166,200	14,720	26,029
Accounts payable and related parties	1,126,604	2,170,774	1,437,214	2,541,324
Other liabilities	242,039	466,369	278,634	492,689
	5,837,955	11,248,746	3,280,448	5,800,587
Net asset position	**5,103,470**	**9,833,522**	**6,218,522**	**10,995,779**

(3) Cash and Cash Equivalents

The balance of cash and cash equivalents is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Banks and corporations (1)	2,866,625	3,811,588
Special funds (2)	1,034,316	1,269,705
Cash	336	465
Investment funds	-	178,353
	3,901,277	**5,260,111**

(1) Corresponds to advances made by partners of Ecopetrol S. A. for the exclusive use of the joint venture, in the amount of $95,916 (2012 - $75,207) and Ecopetrol's own resources in the amount of $2,770,709 (2012 - $3,736,381).

(2) Corresponds to savings in special funds in pesos in the amount of $73,741 (2012 - $556,756) and in foreign currency in the amount of $960,575 (2012 - $708,007) as well as investments in overnight operations in the amount of $4,942 in 2012.

(4) Investments

The balance of investments is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Current		
Fixed yield		
Bonds and securities of private or foreign entities	260,990	654,635
Term deposits	954,704	156,287
Specific purpose fund - Legal Contingencies (1)	110,426	30,297
Bonds issued by the Colombian Government	143,135	17,219
Treasury securities – TES	-	508,576
Total current	**1,469,255**	**1,367,014**
Long Term		
Variable yield - Shares (2)	34,856,546	13,951,033
Fixed yield		
Bonds and securities of foreign entities	13,981	2,071,957
Bonds issued by the Colombian Government	86,616	998,105
Treasury securities - TES	-	1,236,166
Specific purpose fund - Legal Contingencies (1)	260,960	393,916
Total fixed yield	361,557	4,700,144
Total long term	**35,218,103**	**18,651,177**

(1) Corresponds to restricted resources made up of fixed-yield investments entered into based on the court rulings linked to the Derecho Comuneros - Santiago de las Atalayas and Pueblo Viejo de Cusiana proceedings, corresponding to the attachment and seizure of the royalty payments that Ecopetrol, was to have paid pursuant to Royalty Contracts No. 15, 15A, 16 and 16A, declared null by statute in the State Council ruling of September 13, 1999.

(2) The following is the detail of variable-yield investments represented in shares as at December 31:

	As at December 31, 2013	As at December 31, 2012
Companies :		
Controlled	33,698,739	12,934,793
Significant Influence	933,807	792,231
Non-strategic	224,009	224,009
Less - Allowance for investments	(9)	-
Total	**34,856,546**	**13,951,033**

Controlled investments recognized under the equity method as at December 31, 2013, are as follows:

Equity Share	Number of Shares and/or Quotas	Participation Percentage	Valuation Date	Historical Cost	Book Value	Equity Method Effect
Controlled						
Andean Chemicals Limited	645,707,273	100.00	December	2,934,109	3,068,730	134,621
Black Gold Re Limited	120,000	100.00	December	184,079	300,774	116,695
CENIT Transporte y Logística de Hidrocarburos S.A.S.	156,004,892	85.14	December	7,800,205	17,099,558	9,299,353
Ecopetrol Capital AG	1,151,000	100.00	December	227,486	320,990	93,504
Ecopetrol Global Capital	3,100	100.00	December	8	8	-
Ecopetrol Global Energy S.L.U.	70,151,927	100.00	December	3,602,823	1,872,809	(1,730,014)
Ecopetrol Pipeline International Limited	40,439,547	100.00	December	870,169	3,809,800	2,939,631
Equion Energía Limited	114,836,072	51.00	December	436,053	1,433,171	997,118
Hocol Petroleum Limited	12,000	100.00	December	1,020,378	3,320,444	2,300,066
Polipropileno del Caribe S. A.	206,910,325	49.90	December	259,699	346,342	86,643
Sociedad Refinería de Cartagena S. A.	1,870,000	46.58	December	1,156,413	2,126,113	969,700
Total				**18,491,422**	**33,698,739**	**15,207,317**

(1) On April 1, 2013 and on December 2, 2013 contributions were made to Cenit S.A.S in the amount of $5,521,046 as follows:

April 1, 2013:

Number of shares issued in favor of Ecopetrol:	81,526,568
Value of subscribed and paid-in capital	815,266
Value of additional paid-in capital	3,261,063
Total Contribution	**4,076,329**

December 2, 2013:

Number of shares issued in favor of Ecopetrol:	28,894,342
Value of subscribed and paid-in capital	288,943
Value of additional paid-in capital	1,155,774
Total Contribution	**1,444,717**

These contributions were made in kind with assets and transportation projects that Ecopetrol S.A owned as of the date of each capitalization for a total amount of $7,800,205 as the investment value.

Controlled investments recognized under the equity method as at December 31, 2012 are as follows:

Equity Share	Number of Shares and/or Quotas	Participation Percentage	Valuation Date	Historical Cost	Book Value	Equity Method Effect
Controlled						
Hocol Petroleum Limited	12.000	100.00	December	1,020,378	2,666,842	1,646,464
CENIT Transporte y Logística de Hidrocarburos S.A.S.	45.583.982	100.00	December	2,279,159	2,277,210	(1,949)
Ecopetrol Pipeline International Limited	40.439.547	100.00	December	870,169	1,935,506	1,065,337
Andean Chemicals Limited	645.707.273	100.00	December	2,114,835	1,779,392	(335,443)
Sociedad Refinería de Cartagena S. A.	980.000	49.00	December	239,273	1,180,151	940,878
Ecopetrol Global Energy S.L.U.	70.151.927	100.00	December	2,653,352	1,152,787	(1,500,565)
Equion Energía Limited	114.836.072	51.00	December	436,053	1,062,339	626,286
Polipropileno del Caribe S. A.	206.910.325	49.90	December	259,699	359,170	99,471
Ecopetrol Capital AG	1.151.000	100.00	December	227,487	266,806	39,319
Black Gold Re Limited	120.000	100.00	December	184,079	254,583	70,504
Ecopetrol Global Capital	3.100	100.00	December	8	7	(1)
Total				**10,284,492**	**12,934,793**	**2,650,301**

Significant influence investments recognized under the equity method as at December 31, 2013, are as follows:

Equity Share	Number of Shares and/or Quotas	Participation Percentage	Valuation Date	Historical Cost	Book Value	Equity Method Effect
Significant influence						
Ecodiesel Colombia S. A.	10,500,000,000	50.00	December	10,500	26,677	16,177
Invercolsa S. A.	1,213,801,146	43.00	December	61,671	269,342	207,671
Offshore International Group	250	50.00	December	408,517	637,788	229,271
Total				**480,688**	**933,807**	**453,119**

Significant influence investments recognized under the equity method as at December 31, 2012 are as follows:

Equity Share	Number of Shares and/or Quotas	Participation Percentage	Valuation Date	Historical Cost	Book Value	Equity Method Effect
Significant influence						
Ecodiesel Colombia S. A.	10,500,000,000	50.00	December	10,500	19,408	8,908
Invercolsa S. A.	1,213,801,146	43.35	October	61,671	240,555	178,884
Offshore International Group	250	50.00	December	408,517	532,268	123,751
Total				**480,688**	**792,231**	**311,543**

Investments recognized under the cost method as at December 31, 2013, are as follows:

Equity Share	Number of Shares and/or Quotas	Participation Percentage	Valuation Date	Cost	Market/ Intrinsic Value	Appreciation/ (Depreciation)
Non-strategic						
Empresa de Energía de Bogotá	631,098,000	6.87	December	154,376	968,736	814,360
Interconexiones Eléctricas	58,925,480	5.32	December	69,549	536,222	466,673
Concentra Inteligencia en Energía S.A.S.	84,000	4.76	November	84	75	(9)
Total				**224,009**	**1,505,033**	**1,281,024**

Investments recognized under the cost method as at December 31, 2012 are as follows:

Equity Share	Number of Shares and/or Quotas	Participation Percentage	Valuation Date	Cost	Market/ Intrinsic Value	Appreciation/ (Depreciation)
Non-strategic						
Empresa de Energía de Bogotá	631,098,000	6.87	June	154,376	801,495	647,119
Interconexiones Eléctricas	58,925,480	5.32	June	69,549	565,683	496,134
Concentra Inteligencia en Energia S.A.S.	84,000	4.76	May	84	75	(9)
Total				**224,009**	**1,367,253**	**1,143,244**

With regards to the investments held by Ecopetrol in: Bioenergy S.A., Bioenergy Zona Franca S.A.S., Compounding and Masterbatching Industry Ltda., Serviport S.A., Colombia Pipelines Limited., Ecopetrol América Inc., Ecopetrol del Perú S.A., Ecopetrol Oleo e Gas do Brasil Ltda., Hocol S.A., ODL Finance S.A., Oleoducto Bicentenario de Colombia S.A.S., Oleoducto Central S.A. and Oleoducto de Colombia S.A., Oleoducto de los Llanos Orientales S.A., and Santiago Oil Company, the equity method is not applied since Ecopetrol does not have a direct participation in these companies. The participation is held through other subsidiaries, which are the ones that account for these companies using the equity method.

Restrictions on Long-term Investments - Variable Income:

As at January 10, 2013, regarding the legal proceedings of Invercolsa S.A.: The cessation appeal filed by AFIB S.A. and Fernando Londoño Hoyos against the judgment passed by the 28th Civil Court of the Circuit on February 8, 2007, that was confirmed by the Superior Court of the District of Bogota - Civil Court, on January 11, 2011 is currently in process. On October 22, 2012, the term for the cessation appellant AFIB S.A. to support the corresponding appealed expired, which was done in time and the term for the appellant cessation Fernando Londoño Hoyos to support his started to run, which was also done in time. Therefore, on December 5, 2012, the Court Clerk's Office indicated that having notified the appellants, the corresponding actions were filed in due time and are included in the case file, a report that was delivered to the court that same day. The notification of the complaint to the Company is pending.

The appeal sentence of January 11, 2011 ordered: i) That the purchase of 145 million shares of Invercolsa by Fernando Londoño Hoyos are to be cancelled; ii) that the cancellation of the said transaction is to be recorded in the shareholders' book, including the pledge in favor of the Pacífico Colombia y Panamá banks, as well as the payment in kind of the shares of Arrendadora Financiera Internacional Bolivariana S.A.; iii) that Fernando Londoño Hoyos and AFIB are forced to return the Invercolsa dividends, along with the new shares received as profit and/or revaluations; iv) to declare that Fernando Londoño Hoyos did not acquire or possess in good faith the 145 million Invercolsa shares; and v) that Invercolsa is to adjust its operation and the Shareholders' Meeting to the declarations made in the sentence.

The economic activity for the entities in which Ecopetrol has investments accounted for under the equity method is as follows:

Company	**Economic Activity**
Hocol Petroleum Limited	Investment in vehicle owner by Hocol S.A. hydrocarbons exploration and production company.
Cenit Transporte y Logística de Hidrocarburos S.A.S	Transportation and/or storage of hydrocarbons, hydrocarbon by-products, products and similar, through its own or third party transportation and/or storage systems in Colombia or abroad.
Ecopetrol Pipelines International Limited (d)	Investment vehicle.
Andean Chemicals Limited	Investment vehicle.
Sociedad Refinería de Cartagena S. A.	Refining, commercialization and distribution of hydrocarbons.
Ecopetrol Global Energy S.L.U.	Investment vehicle in Spain
Equión Energía Limited	Exploration and production of hydrocarbons.
Polipropileno del Caribe S. A.	Production and commercialization of polypropylene resin.
Ecopetrol Capital AG	Financing, liquidation of financing of group corporations or any type of company and every activity related to it.
Black Gold Re Ltd.	Reinsurer of Ecopetrol and its subsidiaries.
Ecopetrol Global Capital	Investment vehicle.
Oleoducto Central S.A	Transportation of crude oil by pipelines.

Company	**Economic Activity**
Invercolsa S. A.	Investments in companies in the energy sector including activities proper of the industry and commercialization of hydrocarbons and mining.
Oleoducto de Colombia S. A	Transportation of crude oil by pipelines.
Serviport S. A.	Services for support of loading and unloading of oil vessels, supply of equipment for same purpose, technical inspection and cargo measurements.
Ecodiesel Colombia S. A.	Production, commercialization and distribution of biofuels and oleo chemicals
Ecopetrol Oleo é Gas do Brasil Ltda.	Exploration and exploitation of hydrocarbons.
Ecopetrol América Inc.	Exploration and exploitation of hydrocarbons.
Ecopetrol del Perú S. A.	Exploration and exploitation of hydrocarbons.
ODL- Finance	Transportation of crude oil by pipelines.
Offshore International Group	Exploration, development, production and processing of hydrocarbons.
Oleoducto Bicentenario de Colombia S.A.S.	Build and operate an oil pipeline to ensure the export of oil production surpluses from the Eastern Plains region.

Affiliates (entities in which the Company owns over 50% interests), as at December 31, 2013, show the following balances:

Company	Assets	Liabilities	Equity	Results of the Period
CENIT Transporte y Logística de Hidrocarburos S.A.S.	21,352,070	1,266,977	20,085,093	956,896
Ecopetrol Pipelines International Limited	3,809,810	10	3,809,810	279,475
Andean Chemical Limited	3,071,632	2,902	3,068,730	(131,652)
Equion Energía Limited	3,831,733	1,021,594	2,810,139	520,511
Hocol Petroleum Limited	3,525,910	1,317,081	2,208,829	209,977
Ecopetrol Global Energy S.L.U.	1,872,821	12	1,872,809	(587,919)
Ecopetrol Capital AG	2,061,796	1,740,806	320,990	29,201
Black Gold Re Limited	367,297	66,523	300,774	22,841
Ecopetrol Global Capital	8	-	8	-

Affiliates (entities in which the Company owns over 50% interests), as at December 31, 2012, show the following balances:

Company	Assets	Liabilities	Equity	Results of the year
Hocol Petroleum Limited	2,666,845	3	2,666,842	465,305
Cenit Transporte y Logistica de Hidrocarburos S.A.S	2,275,046	1,058	2,273,988	(1,949)
Equion Energía Limited	3,030,858	947,841	2,083,017	719,692
Ecopetrol Pipelines International Limited	1,935,551	45	1,935,506	6,728
Andean Chemicals Limited	1,801,191	21,799	1,779,392	(79,944)
Ecopetrol Global Energy S.L.U.	1,152,812	25	1,152,787	(372,176)
Ecopetrol Capital AG	1,345,518	1,078,712	266,806	41,823
Black Gold Re Limited	299,579	44,996	254,583	25,575
Ecopetrol Global Capital	7	-	7	-

Maturity of Fixed-yield Investments - Long term

A summary of the maturity of long term fixed-yield investments as at December 31, 2013, is as follows:

Maturity	>1 - 3 Years	3 - 5 Years	> 5 Years	Total
Bonds and other foreign securities	8,251	5,730	-	13,981
Bonds and other government securities	-	86,616	-	86,616
Specific destination fund	217,011	1,994	41,955	260,960
	225,262	**94,340**	**41,955**	**361,557**

A summary of the maturity of Long term fixed-yield investments as at December 31, 2012 is as follows:

Maturity	>1 - 3 Years	3 - 5 Years	> 5 Years	Total
Bonds and other foreign securities	1,845,673	226,284	-	2,071,957
Bonds and other government securities	618,488	304,048	75,569	998,105
Treasury securities - TES	772,747	148,949	314,470	1,236,166
Specific purpose fund	58,328	63,339	272,249	393,916
	3,295,236	**742,620**	**662,288**	**4,700,144**

(5) Accounts and Notes Receivable, Net

The balance of accounts and notes receivable, net is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Current		
Customers		
Domestic	586,747	709,601
Foreign	2,269,221	1,781,791
Related parties (see note 15)	2,222,719	853,642
Price differential to be received from the Ministry of Mines and Energy (1)	845,093	1,089,240
Miscellaneous debtors	354,423	22,430
Reimbursements and yields on investment	440	52
Association contracts - joint ventures	-	13,002
Accounts receivable from employees	5,258	2,868
Cavipetrol - loans to employees (3)	50,844	31,613
Industrial service clients	12,337	8,517
Total current	**6,347,082**	**4,512,756**
Long term		
Loans to related parties (2) (see note 15)	1,109,626	1,109,626
Cavipetrol - loans to employees (3)	372,796	339,465
Price differential to be received from the Ministry of Mines and Energy (1)	77,510	77,510
Credit accounts receivable	10,227	8,520
Doubtful accounts	227,372	197,484
Other	24,550	26,976
Total	**1,822,081**	**1,759,581**
Less - Allowance for doubtful accounts	(227,372)	(197,484)
Total long term	**1,594,709**	**1,562,097**

The following shows the movement in the allowance for doubtful accounts:

	As at December 31, 2013	As at December 31, 2012
Opening Balance	**197,484**	**130,734**
Additions	29,224	69,337
Recovery of allowances	(2,247)	(225)
Use and adjustments due to differences in changes of allowances	2,911	(2,362)
Closing Balance	**227,372**	**197,484**

(1) Account receivable from the Ministry of Finance and Public Credit, arising from the calculation of the regular motor gasoline and diesel price differential pursuant to Resolution 180522 issued on March 29, 2010.

(2) On November 2010, a subordinated borrowing contract No. CE2010-01 was subscribed between Ecopetrol and Refinería de Cartagena S.A. for maximum financing of US$1,000 million, of which up to May 2011 Ecopetrol had disbursed the sum of $1,109,626, equivalent to approximately US$588 million.

On August 18, 2011, an addendum to this contract was executed whereby the maximum amount to be disbursed was changed to US$600 million calculated at the market's representative exchange rate on the date of Resolution No. 3587 of 2010, issued by the Ministry of Finance and Public Credit, by which the initial loan contract was authorized.

On December 31, 2013, there was a second modification to this contract (in Spanish *Otrosí No. 2*) by which it was established to accrue yielding interests as from January 1, 2013 at a rate equal to FTD (anticipated quarterly rate - T.A. (per its acronym in Spanish)) in effect as of December 31 of the year immediately preceding the initiation of each of the installment payment periods, added in a margin of 3.06% T.A. (FTD T.A.+3.06%). Yielding interests will be converted to its equivalent semester in arrears.

Once all obligations in respect to the Senior Debt have been extinguished, the amortization of principal will be over three (3) years commencing as of the date of its total payment. Notwithstanding the above, the maximum term is twenty (20) years. Amortization of principal will be made in six (6) consecutive, equal, bi-annual payments.

(3) By means of contracts Leg 058-80 of 1980 and 4008928 of 2006, the administration, management and control of loans granted to employees by the Company were transferred to Cavipetrol. In its capacity as administrator, Cavipetrol monitors, in its database and financial system, the details per employee of the said loans and their respective conditions.

Future collection of accounts receivable from Cavipetrol as at December 31, 2013 are estimated as follows:

Year	**Value**
2014	50,844
2015	50,640
2016 and beyond	322,156
	423,640

On December 2013 Ecopetrol recognized an allowance for doubtful accounts in the amount of $1,230 corresponding to 18 loans that are in legal collection.

(6) Inventories, Net

The balance of inventories, net is as follows:

	As at December 31, 2013	As at December 31, 2012
Finished products		
Crude oil	928,344	905,778
Fuels	764,023	586,844
Petrochemicals	9,323	29,414
Purchased products		
Fuels	65,574	13,607
Crude oil	241,949	256,324
Petrochemicals	13,421	4,749
Raw materials		
Crude oil	150,042	87,246
Product in process		
Fuels	363,871	493,542
Petrochemicals	5,790	2,610
Materials for the production of goods	6,259	11,588
Materials in transit	16,478	4,284
Total	**2,565,074**	**2,395,986**
Less - Allowance for inventories	(4,583)	(2,586)
Total	**2,560,491**	**2,393,400**

The movement in the allowance for inventories is as follows:

	As at December 31, 2013	As at December 31, 2012
Opening Balance	**2,586**	**9,054**
Additions	1,997	-
Recovery of allowances	-	(6,468)
Closing Balance	**4,583**	**2,586**

(7) Advances and Deposits

The balance of advances and deposits is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Short term		
Official entities (1)	6,923,345	3,999,006
Partners in joint ventures (2)	359,281	220,748
Customs agents	-	1,511
Related parties (see Note 15)	34,293	63,751
Agreements (3)	19,593	18,613
Advances to employees	262	354
Advances to suppliers	2,154	2,348
Total Short term	**7,338,928**	**4,306,331**
Long Term		
Related parties (see Note 15)	224,406	-
Advances, prepayments and deposits	174,382	163,532
Total Long term	**398,788**	**163,532**
Total	**7,737,716**	**4,469,863**

(1) Corresponds to the National Tax and Customs Direction (from the Spanish *Dirección de Impuestos y Aduanas Nacionales* - DIAN) on the concept of advances for income tax taxable year 2013 in the amount of $4,135,586, income tax self-withholdings and CREE in the amount of $1,579,975, VAT credit balance in the amount of $1,068,148, VAT paid on imports of heavy machinery in the amount of $70,522, and others in the amount of $69,112.

(2) The detail of advances and deposits with partners in joint operations is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Contracts in which Ecopetrol is not the operator		
Meta Petroleum Ltd.	39,787	9,069
Occidental de Colombia Inc.	26,907	17,733
Petrobras Colombia Limited	21,770	11,213
Repsol Exploracion Colombia S.A.	15,717	1,700
Anadarko Colombia Company	15,245	-
Emerald Energy PLC Suc Colombia	13,375	20,893
Perenco Colombia Limited	10,101	2,372
Mansarovar Energy Colombia Ltd.	6,744	-
Occidental Andina Llc	5,559	-
CEPSA Colombia S. A.	4,484	13,118
Petrosantander Colombia Inc.	4,182	-
Petroleos del Norte S.A.	3,822	2,004
Chevron Petroleum Company	2,698	7,065
Other operations	6,193	7,780
Contracts in which Ecopetrol is the Operator:		
Bloque CPO-9	89,962	15,985
La Cira	23,712	2,400
Crudos Pesados Bloque CPE-4	19,137	13,477
Oleoducto Caño Limón	16,360	25,189
Operating agreement TLU-3	10,028	11,514
Heavy crude oil Bloque CPE-2	8,816	15,655
Master Agreement TLU-1	5,817	38,027
JOA Caño Sur	3,838	3,619
Other operations	5,027	1,935
Total	**359,281**	**220,748**

(3) Represents the resources transferred to workers as an advance for the education plan.

(8) Prepaid Expenses

The balance of prepaid expenses is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Insurance (1)	69,404	70,326
Other (2)	597	164
Total	**70,001**	**70,490**

(1) Insurance contracts are in effect until June 15, 2014, at a cost of $232,385 and amortization of $162,982, as at December 31, 2013.

(2) Include resources relating to the acquisition and maintenance of vehicles assigned to senior officials of Ecopetrol S.A. through leasing, managed by Cavipetrol under Contract No. 5203585.

(9) Deposits Held in Trust

The balance of deposits held in trust is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Abandonment Funds	-	16,920
Pension Funds	314,114	306,651
Other	281	94
Total	**314,395**	**323,665**

These balances correspond to trust funds for pensions and abandonment costs. They were created under Occidental de Colombia and received upon termination of the Asociación Cravo Norte - ACN contract, which came into effect in February 2011. The pension funds are administered by Fiduciaria Bancolombia. On 2013, the ownership of the abandonment fund was transfered to Cenit together with all the assets associated to such fund.

(10) Property, Plant and Equipment, Net

The balance of property, plant and equipment, net is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Plant and equipment	13,492,911	15,086,251
Construction in progress (1)	7,790,655	7,397,138
Pipelines, networks and lines	6,392,108	9,583,770
Buildings	3,357,525	3,979,249
Equipment on deposit and in transit	1,657,344	1,391,884
Computer equipment	305,141	352,223
Transportation equipment and other assets	507,314	411,919
Land	430,073	513,093
Total	**33,933,071**	**38,715,527**
Less - Accumulated depreciation	(13,258,705)	(15,394,694)
Allowance for property, plant and equipment depreciation (2)	(388,170)	(385,356)
Total	**20,286,196**	**22,935,477**

The depreciation charged to income as at December 31, 2013 amounted to $1,303,087 (2012 - $1,323,631).

(1) Principally includes the following: (i) Exploration and production investments in direct-operation production projects, such as development at Castilla, Chichimene, Apiay, Yarigui, and Providencia; and the joint operation development projects at Rubiales, Piedemonte, La Cira, and Quifa; Major projects in refining, such as the modernization of the Barrancabermeja Refinery and the Master Plan for Industrial Services; in transportation, the Master Plan for Refinery Integration.

ii) The capitalized portion of interests amounting to $7,177 related to the syndicated loan; $37,638, related to the bonds in dollars issued during 2009; $5,606, related to bonds in pesos issued during 2009; $84,858, related to bonds in dollars issued during 2013; $2,014, related to Exim Bank Long Term Guarantee; and $269, related to Exim Bank Credit Guarantee Facility.

(3) The following details the movement in the allowance for property, plant and equipment depreciation:

	As at December 31, 2013	As at December 31, 2012
Opening Balance	**385,356**	**879,062**
Additions to new allowances	68,310	310,071
Use of allowances	(276)	(1,785)
Depreciation of assets prior to 2006	(1,364)	(680,128)
Recovery	(63,856)	(121,864)
Closing Balance	**388,170**	**385,356**

Summary of property, plant and equipment as at December 31, 2013:

Type of Asset	Adjusted Cost	Accumulated Depreciation	Valuation	Allowance	Net Plus Valuation
Plant and equipment	13,492,911	(8,804,567)	3,701,009	(29,431)	8,359,922
Pipelines, networks and lines	6,392,108	(2,729,226)	1,702,953	(64,473)	5,301,362
Work in progress	7,790,655	-	-	-	7,790,655
Buildings	3,357,525	(1,268,486)	1,656,859	(193,330)	3,552,568
Equipment on deposit and in transit	1,657,344	-	-	-	1,657,344
Computer equipment	305,141	(175,890)	33,138	(5,352)	157,037
Transportation equipment and other assets	507,314	(280,536)	104,104	(88,185)	242,697
Land	430,073	-	2,277,476	(7,399)	2,700,150
Total	**33,933,071**	**(13,258,705)**	**9,475,539**	**(388,170)**	**29,761,735**

Summary of property, plant and equipment as at December 31, 2012:

Type of Asset	Adjusted Cost	Accumulated Depreciation	Valuation	Allowances	Net Plus Valuation
Plant and equipment	15,086,251	(9,800,229)	4,997,112	(64,900)	10,218,234
Pipelines, networks and lines	9,583,770	(3,678,944)	5,374,552	(50,533)	11,228,845
Work in progress	7,397,138	-	-	-	7,397,138
Buildings	3,979,249	(1,447,411)	2,216,476	(199,720)	4,548,594
Equipment on deposit and in transit	1,391,884	-	-	-	1,391,884
Computer equipment	352,223	(234,126)	33,070	(4,462)	146,705
Transportation equipment and other assets	411,919	(233,984)	107,321	(55,797)	229,459
Land	513,093	-	2,805,889	(9,944)	3,309,038
Total	**38,715,527**	**(15,394,694)**	**15,534,420**	**(385,356)**	**38,469,897**

There are no restrictions or pledges on assets, nor have they been offered as security. Retirements and sales of property, plant and equipment as at December 31, 2013 generated profits of $161,868 (net profit $4,060 in 2012).

Technical appraisals of fixed assets take place every three years in accordance with the provisions of the Regime of Public Accounting. At the close of 2013 the last technical appraisal of assets for Barrancabermeja refinery was conducted by T.F. Auditores & Asesores firm.

(11) Natural and Environmental Resources, Net

The balance of natural and environmental resources, net is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Amortizable oil investments (1)	29,465,218	26,295,849
Less: Accumulated amortization of oil investments (2)	(16,194,007)	(13,745,560)
	13,271,211	**12,550,289**
Plugging and abandonment, facility dismantling and environmental recovery costs (3)	4,823,072	3,999,267
Less: Accumulated amortization for facility abandonment	(2,280,630)	(2,030,643)
	2,542,442	**1,968,624**
Reservoirs and appraisals (4)	701,590	701,590
Less: Accumulated depletion	(642,299)	(632,941)
	59,291	68,649
Exploration in progress (5)	1,645,391	1,107,245
Total	**17,518,335**	**15,694,807**

(1) As at December 31, 2013, net capitalization of oil investments amounted to $4,125,655 (2012 - $4,221,959) mainly in the following fields: Rubiales, Castilla, Chichimene, Casabe, Apiay, Quifa, Cupiagua and Caño Limón.

(2) Amortization expense charged to results for natural resources and abandonment of facilities as at December 31, 2013 amounted to $2,468,106 and $283,947 respectively (December 2012 - $2,202,663 and $312,252).

(3) Correspond to the cost of abandonment of production areas, updated in December 2013.

(4) The appraisal of reserves is represented by the reservoirs received through the reverting of concession contracts in the amount of $490,525, $184,208 and $26,857, administered by Gerencia Magdalena Medio, Gerencia Sur and Gerencia Catatumbo Orinoquía, respectively.

(5) The following table represents a classification by ages for constructions in progress based on the drilling completion date and the number of projects that are in ongoing drilling for a period exceeding one year as from the completion date.

	As at December 31, 2013	As at December 31, 2012
Less than 1 year	1,570,856	852,315
Between1 and 3 years (a)	21,507	237,592
Between 3 and 5 years (b)	53,028	17,338
Total Constructions in progress	**1,645,391**	**1,107,245**
No. of projects exceeding to 1 year	9	30

(a) Corresponds to 8 projects that are pending project tradability statement or that are temporarily closed due to environmental issues.

(b) For 2013, it corresponds to well Oripaya 1 which was temporarily abandoned. It will be reactivated when required as a producing well after conducting workover works. For 2012, it corresponds to well Rio Zulia West 3 which is a producing well and is pending license from the National Hydrocarbons Agency.

(12) Deferred Charges

The balance of deferred charges is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Deferred income tax	1,368,246	1,507,035
Deferred tax on CREE	502,143	-
Equity tax and surtax	476,494	952,987
Other deferred charges, net (1)	1,172,984	866,999
	3,519,867	**3,327,021**

(1) Includes investments made in developing the business cooperation contract between Ecopetrol and Schlumberger aimed at increasing production at the Casabe field. These investments are amortized based on technical units of field production, for 2013 this amortization amounts to $115,991 (2012 $72,024).

(13) Other Assets

The Detail of other assets is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Goodwill (1)	2,174,184	2,841,618
Intangible assets, net (brands, licenses, patents and software)	234,297	202,899
Goods acquired through financial leasing	88,542	105,205
Other assets (4)	105,038	94,231
Trust funds (2)	61,748	71,025
National Royalties Fund (from the Spanish *Fondo Nacional de Regalías*) (3)	73,469	67,815
Deposits given in trust	9,951	19,645
Total	**2,747,229**	**3,402,438**

(1) As at December 31, 2013 goodwill is comprised as follows:

Company	Acquisition Date	Goodwill Amount	Amortized Amount	Pending Amortization	Amortization Period (Years)
Propilco S.A. (a)	07/04/2008	176,507	(68,370)	108,137	17.8
Andean Chemicals	07/04/2008	205,541	(77,729)	127,812	17.8
IPL Enterprises (b)	17/03/2009	880,127	(196,631)	683,496	15
Offshore International (a)	06/02/2009	536,079	(194,631)	341,448	14
Hocol Petroleum Limited	27/05/2009	742,345	(204,747)	537,598	16
Equión Energía Limited (b)	24/01/2011	629,375	(253,682)	375,693	10
Total		**3,169,974**	**(995,790)**	**2,174,184**	

(a) As at December 31 a loss on concept of goodwill withdrawal in the amount of $229,876 in Propilco S.A and $123,136 for Offshore International Group Company was recognize, due to the economic evaluation made in accordance with resolution 145 of 2008 provision, issued by the National Accounting Office.

(b) Due to the organizational restructuring made in Ecopetrol Business Group after the incorporation of Cenit in 2013, there was a reclassification in the amount of $343,043 between the goodwill of Equion Energia Limited and IPL Enterprises corresponding to the value resulting from the acquisition of the participation of Ocensa owned by Equión.

As at December 31, 2012, goodwill is comprised as follows:

Company	Acquisition Date	Goodwill Amount	Amortized Amount	Pending Amortization	Amortization Period (Years)
Propilco S.A.	07/04/2008	327,986	(86,572)	241,414	17.8
Andean Chemicals	07/04/2008	357,629	(94,400)	263,229	17.8
IPL Enterprises	17/03/2009	537,093	(137,257)	399,836	15
Offshore International	06/02/2009	748,986	(186,175)	562,811	14
Hocol Petroleum Limited	27/05/2009	748,948	(157,334)	591,614	16
Equión Energía Limited	24/01/2011	972,409	(189,695)	782,714	10
Total		**3,693,051**	**851,433**	**2,841,618**	

(2) Corresponds to: i) $52,421 for contributions and shares in the National Hydrocarbons Fund (from the Spanish *Fondo Nacional de Hidrocarburos*) created to support future hydrocarbon investment, exploration and production contracts in smaller fields for projects administered by the Colombia Hydrocarbons Private Capital Fund (from the Spanish *Fondo de Capital Privado de Hidrocarburos de Colombia*; and ii) $9,327 from Colpet, Cóndor and Sagoc fund to deal with potential contingencies in the liquidation of these former subsidiaries.

(3) Corresponds to deposits of the Oil Savings and Stabilization Fund - FAEP (from the Spanish *Fondo de Ahorro y Estabilización Petrolera*) in Ecopetrol's favor to address the remainder of the National Royalties Fund. Its sole purpose is to pay debts and finance development programs and projects in hydrocarbon producing and non-producing municipalities and departments. Ecopetrol makes disbursements as the Ministry of Finance issues the respective approvals.

(4) Mainly includes: i) Restricted funds in the amount of $57,347 ($50,359 in 2012), represented by judicial deposits to pay for labor, civil and tax litigations; and ii) third party property improvements on assets received through concessions for the Colorados and Tumaco wells in the amount of $46,750 ($42,897 in 2012).

(14) Financial Obligations

The balance of financial obligations is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Current		
Interests payable	219,732	120,349
BOMT contracts - Infrastructure (2)	11,331	9,478
Financial leasing contract - Real State (3)	-	844
National bank loans (1)	-	444,041
International Bank Loans (5)	111,347	-
Total Current	**342,410**	**574,712**
Long term		
Foreign loans - Bonds (4)	7,707,320	2,652,345
National bank loans (1)	1,839,000	1,155,650
International bank loans (6)	444,254	-
Public credit operations - Issued bonds and securities (5)	1,900,000	1,000,000
BOMT contracts - Infrastructure (2)	87,314	90,525
Capital lease contracts - Real State (3)	-	2,387
Total long term	**11,977,888**	**4,900,907**

(1) As at December 31, 2012, it corresponds to the syndicated loan with eleven national banks for an initial value of $2,220,200, intended for financing the Company's investment programs. The loan was obtained with the following conditions:

Term:	7 years, including a 2-year grace period
Payment of Interests:	Starting in November 2009
Rate:	FTD+ 4% (anticipated quarterly rate)
Amortization:	Every six months

Guarantee: Ecopetrol granted a close pledge over the stock shares owned either directly or indirectly on the following companies, thus reaching 120% coverage of the loan amount. The shares given as guarantee were replaced by another contract between some banks and Ecopetrol on November 17, 2011.

The value of guarantees according to the intrinsic value of the shares of companies and translated into Colombian Pesos with the current TRM al December 31, 2013 is as follows:

Company	Value
Hocol Petroleum Limited	2,909,073
Offshore International Group	489,533
Polipropileno del Caribe S. A.	313,010
Total	**3,711,616**

The loan was paid off on May 27, 2013 through a debt management and financing operation in local currency with seven Colombian banks for a value of $1,839,000, which is made up by the following operations:

i. Debt Management Operation: Signed with 7 local banks for a total value of $1,554,140, whereby the balances outstanding of the 2009 syndicated loan were replaced.

ii. New Resources Operations: Signed with 6 local banks for a total value of $284,860 whereby the investment and general corporate purposes plan is financed.

The new loan was obtained with the following conditions:

Disbursement date:	May 27, 2013
Term:	12 years with a 3-years grace period
Payment of interests:	As of November 2013
Rate:	FTD + 2.5% (anticipated quarterly rate)
Amortization:	Every Six Months
Guarantee:	No guarantees were required for the new loan.

The Detail of the amortization payments of long-term principal is as follows:

2016	102,167
2017	204,333
2018	204,334
2019	204,333
2020	204,333
2021	204,333
2022	204,334
2023	204,333
2024	204,333
2025	102,167
	1,839,000

On November 25, 2013 the first interest payment was made in the amount of $58,907 million. Currently, Ecopetrol does not anticipate any situation that may represent noncompliance of its obligations in the near future.

(2) They correspond to the contract signed on September 19, 2008 between Ecopetrol and Unión Temporal Gas Gibraltar (Montecz S.A., Conequipos ING Ltda., Gasmocan S.A. and Twister BV), whose purpose is focused on financing, design, equipment purchase, supplies, construction, tests, operation and maintenance for a 15-year period of the surface facilities for the treatment of gas from the Gibraltar field owned by Ecopetrol.

(3) Corresponds to a financial lease or lease-purchase agreement for real estate under the following conditions:

Type of goods:	4th and 5th floor of COLGAS building, located at Calle 37 N° 8 - 43 Bogotá
Contract Term:	60 months
Purchase option amount:	$476 million
Amortization:	Every six months

On November 25, 2013, interests in the amount of $101 million (estimated at a FTD of 4.11% (effective annual rate) effective during the week from April 29 to May 5, 2013) were paid, rents in the amount of $436 million were paid, and outstanding rents in the amount of $2,382 million were fully prepaid.

(4) Issuance of International Bond 2009

On July 23, 2009, the Company issued unsecured and unsubordinated debt bonds (notes) with the right to register them at the SEC, maturing in 2019, for the amount of US$1,500 million. The registration took place on October 6, 2009. The notes were initially issued under Rule 144A/Regulation S..

The terms of the transactions were:

Coupon interests: 7,625%
Make Whole premium: 50 basis points.
Interest payment dates are July 23 and January 23 of every year, starting on January 23, 2010.
Maturity date: July 23, 2019.

Issuance of International Bond 2013

On September 18, 2013, the Company made an issuance of US$2,500 million of bonds (notes) of unsecured debt and registered with the Securities and Exchange Commission of the United States- SEC divided into three sections with the following terms and conditions:

Redemption Term:	5 years	10 years	30 years
Date of Maturity	Sept 18, 2018	Sept 18, 2023	Sept 18, 2043
Amount (US$ million)	350	1,300	850
Coupon:	4.250%	5.875%	7.375%
Make Whole Call (pbs):	40	45	50
Payment of interests:	March 18 and September 18, starting from March 18, 2014		

In accordance with the definitions contained in the issuance documents for both 2009 and 2013, the Company has complied with the various standard commitments (covenants) including the due and timely payment of interest and capital; no creation of collateral pledges by Ecopetrol and its subordinates, except for authorized pledges; and the offer to purchase the bonds in the event of repurchasing for control change.

(5) Issuance of Local Bond 2010

Through Resolution No. 3150 of October 20, 2010, Ecopetrol was authorized by the Ministry of Finance and Public Credit to issue, subscribe and place internal public debt bonds for an amount of up to one billion Colombian pesos, to finance Ecopetrol 2010 investment plan. Subsequently, through Resolution No. 2176 of November 11, 2010, the Company obtained the authorization of the Superintendence of Finance to register its internal public debt bonds at the National Register of Securities and Issuing Agencies, and to place them through public offering.

The terms of the issuance and placement of the internal public debt bonds are as follows:

Amount placed:	$1´000.000 million pesos
Issuance date:	December 1, 2010
Amortization:	At maturity
Series A:	Bonds denominated in pesos at a variable rate based on the consumer price index (CPI)

Redemption Term:	5 years	7 years	10 years	30 years
Rate:	CPI + 2.80%	CPI + 3.30%	CPI + 3.94%	CPI + 4.90%
Amount (millions) $	97,100	138,700	479,900	284,300

Issuance of local Bond 2013

With Resolution No. 2462 of July 30, 2013, issued by the Ministry of Finance and Public Credit, Ecopetrol was authorized to issue, subscribe and place Bonds and Trading Securities at the Public Securities Market of Colombia amounting up to $3 billion pesos ($3,000.000,000,000) through public offering.

Subsequently, the Superintendence of Finance approved the registration of Bonds and Trading Securities under the Program, at the National Registry of Securities and Issuers, and authorized their public offer by Resolution No. 1470 of August 2, 2013.

The following was the result of the first issuance and placement of internal public debt bonds under the program:

Amount placed:	$900,000 millions
Issuance date:	August 27, 2013
Amortization:	At maturity
Payment of interests:	Every six months
Series C:	Bonds denominated in Colombian pesos at a variable rate on the CPI

Redemption Term:	5 years	10 years	15 years	30 years
Rate:	CPI + 3.79%	CPI + 4.60%	CPI + 4.90%	CPI + 5.15%
Amount (millions) $	120,950	168,600	347,500	262,950

(6) The US Congress approved the granting of guarantees by the U.S. Exim bank to Ecopetrol S.A, through its Long Term Guarantee Programs (LTG) and Medium Term (MTG). To have access to these programs, the Company selected 4 International banks as lenders in the LTG and 2 for the MTG.

Terms and conditions of the guarantee programs are as follows:

Financing Contract:	Long term (LTG)	Medium Term (CGF)
Amount US$ million:	Up to 426.6	Up to 420.6
Term:	Up to 10 years	Between 2 and 7 years
Rate of Interest:	Libor of 6 months + 0.90%	Libor of 6 months + 0.65%
Commission:	0.15% E.A. R	0.15% E.A.R
	Share 0.40% Paid in each disbursement	Share 0.35% Paid in each disbursement
Guarantee:	Guarantee US Exim Bank on political and trading risk	
Amortizations:	Equal every six months	

As at December 31, 2013, the Company completed the disbursements under the LTG in the amount of US$245 million. On the other hand, US$43 million were received, under the CGF program. Therefore, only resources under this facility, would be received in 2014 valid until June.

(15) Accounts Payable and Related Parties

The balance of accounts payable and transactions with related parties is comprised as follows:

	As at December 31, 2013	**As at December 31, 2012**
Dividends payable (1)	1,313,596	3,919,102
Suppliers	4,263,731	3,856,184
Related parties (2)	382,318	757,081
National Hydrocarbons Agency	385,636	245,394
Partners advances	822,325	795,990
Deposits received from third parties	579,868	415,541
Miscellaneous creditors	283,589	291,320
Tax withholding	350,414	208,425
Reimbursement of exploratory costs	23,158	33,944
Total	**8,404,635**	**10,522,981**

(1) Represents the dividends payable as decreed at the Shareholders' General Meeting held on March 21, 2013 in the amount of $1,309,852; including dividends payable to shareholders who are in arrears in the payment of quotas generated by the purchasing of shares in the amount of $3,744, and to whom economic and political rights have been suspended pursuant to Article 397 of the Code of Commerce. Such payments will be reinstated once the payments are up to date.

(2) The most representative balances with related parties as at December 31, 2013 and December 31, 2012, in which Ecopetrol holds investments or direct interests, are included in debtors, suppliers and accounts payable as follows:

	Accounts Receivable	Advances Receivable	Accounts Payable
Short Term			
Refinería de Cartagena S. A.	538,187	-	314
Compounding and Masterbatching (COMAI)	9,524	-	-
Oleoducto de los Llanos Orientales - ODL	2,760	-	6,928
Hocol S.A.	246,346	18,735	27,714
Equion Energía Limited	161,672	15,558	97,699
Ocensa S. A.	2,616	-	140,247
Oleoducto de Colombia S. A.	1,425	-	35,355
Oleoducto Bicentenario de Colombia	6,401	-	-
Cenit S.A.	1,035,855	-	21,337
Black Gold Re Limited (*)	25	-	-
Ecopetrol Capital AG.	217,882	-	-
Ecopetrol América Inc.	-	-	50,402
Santiago Oil Company	-	-	2,322
Ecopetrol del Perú	26	-	-
Total short term:	**2,222,719**	**34,293**	**382,318**
Long Term:			
Refinería de Cartagena S. A. (largo plazo)	1,109,626	-	-
Oleoducto Bicentenario de Colombia	-	224,406	-
Total long term	**1,109,626**	**224,406**	**-**
Balance as at December 2013	**3,332,345**	**258,699**	**382,318**

	Accounts Receivable	Advances Receivable	Accounts Payable
Short Term:			
Refinería de Cartagena S. A.	745,524	-	77,835
Compounding and Masterbatching (COMAI)	8,690	-	-
Oleoducto de los Llanos Orientales - ODL	2,659	-	817
Hocol S. A.	19,835	16,901	27,637
Equion Energía Limited	49,989	33,448	5,220
Ocensa S. A.	5,279	-	605,474
Oleoducto de Colombia S. A.	16,381	13,402	20,264
Ecopetrol del Perú S. A.	137	-	-
Oleoducto Bicentenario de Colombia	4,842	-	-
Cenit S. A.	51	-	-
Ecopetrol América Inc.	42	-	19,834
Black Gold Re Ltd.	1	-	-
Ecopetrol Oleo e Gas Do Brasil Ltda.	212	-	-
Total short term:	**853,642**	**63,751**	**757,081**
Long Term:			
Refinería de Cartagena S. A. (Long Term)	1,109,626	-	-
Total long term:	**1,109,626**	-	-
Total as at December 2012	**1,963,268**	**63,751**	**757,081**

The main transactions with related parties for the periods ended as at December 31, 2013 and 2012,are as follows:

	Sales & Services	Rent	Other
Revenues:			
Bioenergy S.A.	518	-	-
Black Gold Re Limited	328	-	2
Cénit Logística y Transporte	1,453,681	-	21,135
Compounding and Masterbatching (COMAI) (1)	102,746	-	-
Ecopetrol America Inc.	85	-	-
Ecopetrol Capital AG.	-	-	149
Ecopetrol del Perú	30	-	-
Ecopetrol Oleo é Gás do Brasil Ltda.	33	-	-
Equión Energía Limited	191,747	-	827
Hocol S.A.	217,753	-	-
Homcol Cayman Inc	102	-	-
Ocensa S.A.	22,545	561	1,184
Oleoducto Bicentenario de Colombia S.A.	17,025	-	7
Oleoducto de Colombia S.A.	10,797	-	-
Oleoducto de los Llanos Orientales S.A.	33,790	-	2
Refinería de Cartagena S.A. (1)	4,835,824		101,392
Santiago Oil Company	2,076	-	5
Total as at December 2013	**6,889,080**	**561**	**124,703**

	Sales & Services	Rent	Other
Revenues:			
Refinería de Cartagena S.A. (1)	5,290,711	-	57,081
Compounding and Masterbatching (COMAI) (1)	125,888	-	-
Hocol S.A.	16,383	291	5,013
Oleoducto de los Llanos Orientales S.A.	31,449	-	74
Ocensa S.A.	29,835	538	-
Oleoducto de Colombia S.A.	8,980	-	-
Equión Energía Limited	25,374	-	1,339
Bioenergy S.A.	499	-	-
Ecopetrol del Perú	1,151	-	-
Ecopetrol Capital AG	259	-	1,953
Ecopetrol Oleo é Gás do Brasil Ltda.	202	-	-
Oleoducto Bicentenario de Colombia S.A.	13,513	-	-
Total as at December 2012	**5,544,244**	**829**	**65,460**

(1) Since 2010, sales of crude oil and natural gas made to Refineria de Cartagena and Comai are being recorded as foreign sales as they are originated in free trade zone. Sales of crude oil in the amount of $4,685,739, of Natural Gas in the amount of $72,545 and GLP and Propylene in the amount of $103,017 were recorded in 2013.

	Purchase of Products	Transportation Cost	Other
Expenses:			
Refinería de Cartagena S. A.	481,574	-	1,017
Hocol Petroleum Ltd.	194,375	4,614	497
Equion Energía Limited	24,479	7,144	12,035
Ocensa S. A.	-	1,603,933	-
Oleoducto de los Llanos Orientales S.A.	-	286,830	590
Oleoducto Bicentenario de Colombia S.A.	-	70,681	-
Oleoducto de Colombia S. A.	-	170,258	-
Cénit Logística y Transporte	-	964,846	-
Compounding and Masterbatching (COMAI)	-	-	10,519
Ecopetrol America Inc.	830	-	4,315
Total as at December 2013	**701,258**	**3,108,306**	**28,973**

	Purchase of Products	Transportation Cost	Other
Expenses:			
Refinería de Cartagena S. A.	587,116	-	1,479
Hocol Petroleum Ltd.	367	15,400	2,872
Equion Energía Limited	19,558	5,627	9,237
Ocensa S. A.	-	523,728	67
Oleoducto de los Llanos Orientales S.A.	-	460,515	815
Polipropileno del Caribe S.A.	-	326	-
Oleoducto de Colombia S. A.	-	71,857	-
Compounding and Masterbatching (COMAI)	-	-	5,390
Ecopetrol América Inc.	6,862	-	135
Total as at December 2012	**613,903**	**1,077,453**	**19,995**

There are no special price conditions or exceptions to market values with related parties. Oleoducto de Colombia S.A. and Ocensa S.A. migrated in January and February, respectively, to a Benefit Center business model. For this reason, these companies charge to their customers a rate regulated by the Ministry of Mines and Energy, which allows them not only to recover their operating costs and expenses but also to obtain profits.

No member of the Board of Directors, Legal Representative or Administrator of the Company is the actual beneficiary of 10% or more of Ecopetrol's outstanding shares.

In 2013, non-material purchase and/or sale transactions of Ecopetrol shares were made by the following administrators of the Company. Such transactions were duly authorized and disclosed to the market on a timely basis.

Official	Operation	Authorization Minutes
Chairman of the Board of Directors	Sale of 20,311 Shares	N° 172, March 15, 2013

(16) Taxes, Contributions and Duties Payable

The Detail of taxes, contributions and duties payable is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Current:		
Income tax	5,210,836	6,560,992
Income tax for equality - CREE	1,875,901	-
National tax on gasoline and gasoline surtax (1)	224,694	-
Global tax (1)	-	135,266
Sales tax payable	21,189	-
Tax on Equity (2)	476,494	476,494
Industry and Commerce (Municipal) tax and other minor taxes	37,056	4,689
Audit fee	87,923	19,346
Subtotal current	**7,934,093**	**7,196,787**
Long term:		
Tax on Equity (2)	-	476,494
Subtotal long term	**-**	**476,494**
Total	**7,934,093**	**7,673,281**

(1) As a result of the enactment of Act 1607 of 2012, for application, the global tax was eliminated as from January 2013 and the National Tax on Gasoline and Diesel Oil (ACPM) was established.

(2) The last two installments of the tax on equity will be paid in 2014.

The balance of asset and liability deferred income tax and income tax for equality CREE is as follows:

	As at December 31, 2013	As at December 31, 2012
Asset deferred tax:		
Beginning balance - Income tax	1,507,035	1,519,196
Movement of the year - Income tax (1)	(138,789)	(12,161)
Movement of the year - CREE	502,143	-
Ending balance	**1,870,389**	**1,507,035**
Liability deferred tax:		
Beginning balance - Income tax	1,657,613	1,706,394
Movement of the year - Income tax	(183,551)	(48,781)
Movement of the year - CREE	530,662	-
Ending balance	**2,004,724**	**1,657,613**

(1) Includes the deferred tax associated to the assets transferred to the subsidiary Cenit on April 1, 2013.

Composition of income tax, capital gains tax, and income tax for equality - CREE expense as at December 31.

The expense on concept of income tax, occasional gains tax and income tax for equality (CREE) is comprised as follows:

	As at December 31 2013	As at December 31, 2012
Current income tax	5,210,836	6,560,992
Current income tax - CREE	1,875,901	-
Income tax of previous years	(2,727)	28,312
Debit deferred Income tax	94,521	12,161
Debit deferred Income tax - CREE	(502,143)	-
Credit deferred income tax	(183,551)	(48,782)
Credit deferred income tax CREE	530,662	-
Total	**7,023,499**	**6,552,683**

The effects of temporary differences that imply the payment of a lower or higher income tax in the current year, are accounted for as a deferred tax asset or liability, both for the income tax and for the income tax for equality - CREE as applicable, provided there is a reasonable expectation that such differences will revert, liability in case of the deferred tax assets or sufficient taxable income will be generated to recover the deferred tax. The deferred tax is calculated at either a of 34% (25% income tax and 9% tax for equality - CREE) or 33% (25% income tax and 8% tax for equality - CREE) rate, as applicable.

The determination of the tax able basis for both income tax and income tax for equality CREE is the result of the application of the regulations in force in each case.

Income tax

Current tax provisions applicable to Ecopetrol S.A. establish the following:

(a) As from January 1, 2013, taxable income in Colombia will be subject to a 25% income tax rate subject to special rates pursuant to explicit disposition.

(b) The basis for determining income tax may not be below 3% of its net equity on the last day of the immediately preceding fiscal year.

(c) As from taxable year 2007, the inflation adjustments system was eliminated for tax purposes, and the tax on capital gains was reactivated. Article 109 of Act 1607 of December 2012 established a new tax rate on occasional these gains for companies and is to be applied as from 2013; such rate is equivalent to 10%.

(d) At December 31, 2013, Ecopetrol has no balances of tax losses or excesses of presumptive over ordinary income to be offset.

The reconciliation between profit before income tax and taxable income for the years ended December 31 is detailed as follows:

	As at December 31, 2013	**As at December 31, 2012**
Accounting profit before taxes	20,376,845	21,525,633
Income from monetary correction	-	(8,719)
Tax effects inflation adjustments - Depreciation	(700,921)	(493,736)
Non-deductible costs and expenses	1,809,753	995,335
Special deductions and deductible tax expenses	(1,202,037)	(1,548,657)
Tax revenues not accounted for	973,855	244,876
Revenues not considered income or occasional gains	(120,183)	(252,621)
Non-taxable income	(1,682,996)	(1,368,911)
Non-deductible provisions	1,166,144	1,101,555
Yields on investments portfolio	223,245	(111,614)
Net exempt income	**20,843,345**	**20,083,141**
Net exempt income	-	(201,348)
Net taxable income	**20,843,345**	**19,881,793**
Net income tax	**5,210,836**	**6,560,992**

Income tax returns can be reviewed by the tax authorities during the two years subsequent to their filing. To date, the tax return for 2012 is open for review.

The deadline for filing the income tax return of taxable year 2013 is April 22, 2014.

Income Tax for Equality (CREE)

Current tax provisions applicable to Ecopetrol S.A. establish the following:

(a) Act 1607 of December 2012 introduced the income tax for equality - CREE, effective as from January 1, 2013, as the contribution of companies, legal persons and assimilated income tax payers in order to benefit workers, employment generation and invest ment in social matters. Non-for-profit entities, individuals and companies classified as free trade zones are subject to the 15% tax rate are not subject to the income tax for equality - CREE.

(b) The basis for determining the income tax for equality - CREE may not be lower than 3% of tax payer's net equity on the last day of the immediately preceding taxable period.

(c) The rate for the income tax for equality - CREE for 2013, 2014 and 2015 is 9%; as from taxable year 2016, such rate will be 8%.

(d) According to Article 25 of Act 1607 of December 2012, effective as from July 1, 2013, legal persons and assimilated income tax payers, are exempted from paying payroll taxes (National Training Service - SENA and Colombian Institute for Family Welfare - ICBF). Corresponding to workers individually earning up to ten (10) minimum monthly salaries in force. This exemption does not apply to taxpayers not subject to the income tax for equality - CREE.

(e) The taxable basis of the income tax for equality - CREE will be established by subtracting returns, rebates and discounts from the gross income that may have increased equity during the taxable year and subsequently subtracting from the resulting amount the values corresponding to revenues not considered taxable income as defined in the Tax Code. From the net income so obtained, the total costs and deductions applicable to this tax will be deducted, in accordance with the provisions of Articles 107 and 108 of the Tax Code. Exempt income, as expressly determined by Article 22 of Act 1607 of 2012, will then be allowed to be deducted from that amount.

The reconciliation between profit before income tax for equality CREE and taxable income for this tax for the years ended December 31, is as follows:

	As at December 31, 2013
Accounting profit before taxes	20,376,485
Tax effect of inflation adjustments	(700,921)
Non-deductible costs and expenses	1,809,753
Special deductions and deductible tax expenses	(1,202,037)
Tax revenues not accounted for	973,855
Revenues nor considered income or occasional gains	(120,183)
Non-taxable income	(1,682,996)
Non-deductible provisions	1,166,144
Yield on investments portfolio	223,245
Taxable basis	**20,843,345**
Net income Tax	**1,875,901**

Tax on Equity

For taxable year 2011, the equity tax was established for income taxpayers under Act 1370 of 2009. Therefore, taxpayers owning net equity exceeding $5,000 million should pay a 4.8% rate, and those owning net equity between $3,000 million and $5,000 million should pay a 2.4% rate on such equity.

A new rate for taxpayers required to pay such tax was included by means of Emergency Decree Number 4825 of December 2010. Such rates are: 1% for net equity between $1,000 and $2,000 million, and 1.4% for equity between $2,000 and $3,000 million.

In addition, a surcharge of 25% was established by such Decree on this tax, which is only applicable to equity taxpayers under Act 1370 of 2009.

Based on the above, and in accordance with accounting management decrees, Ecopetrol recognized the value of the equity tax payable, and the corresponding charge to income, for the proportional value corresponding to 2011, 2012 and 2013. The pending balance payable was registered as a deferred asset amortizable during 2014.

Transfer Pricing

Since 2004, income taxpayers who had entered into transactions with related parties abroad, and/or with residents of countries considered to be tax havens, are under the obligation of determining, for income tax purposes, their ordinary and extraordinary income, costs and deductions, and assets and liabilities, taking into account the denominated market prices and profit margins for these transactions (Arm's length principles). Based on the opinion of the Company's advisor, no significant changes are expected for taxable year 2013 related to the compliance with the principle of full jurisdiction set out in Article 260-1 of the Colombian Tax Code, and there are no foreseen adjustments to the determination of income tax expenses for the said year.

To date, Ecopetrol has not completed the 2013 study; however, based on the results from the 2012 study, no adjustments to the income tax provision derived from the 2013 price analysis, affecting the results of the period, are required.

(17) Labor and Pension Liabilities

The balance of labor and pension liabilities is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Short term		
Leave	84,210	65,773
Premiums, bonuses and allowances	75,125	86,638
Severance payments	50,626	44,669
Salaries and pensions payable	5,126	2,729
Interests on severance	5,753	5,007
Other	5,818	2,221
Total short term	**226,658**	**207,037**
Long term		
Actuarial liability for health and education (1)	4,211,288	3,992,829
Retirement pensions, joint ventures	66,544	71,052
Total long term	**4,277,832**	**4,063,881**
Total	**4,504,490**	**4,270,918**

(1) The actuarial computations for health and education were prepared by applying the mortality tables updated in 2010 and using a technical interest rate of 4.8%. The value of future health and education payments, was estimated by applying an increase of 5.922% (2012 - 4.755%), which correspond to the average inflation rate registered by the National Administrative Department of Statistics (from the Spanish *Departamento Administrativo Nacional de Estadística - DANE*) during the last three years, to the year calculation, plus an additional 1.5%, taking into account the Company´s real growth. As a result of the 2010 change in the accounting principle for amortization, the portion pending to be amortized is 6% at the closing of 2013 which is equivalent to $227,416.

The amortized actuarial liability for health liabilities is as follows:

Concept	As at December 31, 2013	As at December 31, 2012
Actuarial calculation of health liabilities	4,053,865	4,062,323
Less - Actuarial calculation pending amortization	(227,416)	(454,973)
Amortized actuarial liability	**3,826,449**	**3,607,350**

The difference in the amortized actuarial liability is as follows:

	As at December 31, 2013	As at December 31, 2012	Difference
Health:			
Active Personnel	518,089	401,883	116,206
Retirees	3,308,360	3,205,467	102,893
Education:			
Active Personnel	48,081	37,736	10,345
Retirees	336,758	347,743	(10,985)
Total	**4,211,288**	**3,992,829**	**218,459**

(18) Estimated Liabilities and Provisions

The balance of estimated liabilities and provisions is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Current:		
Provision for legal proceedings (1) (see Note 29)	516,446	770,922
Provision for pension obligations (2)	500	500
Provision for abandonment, facility dismantling and environmental recovery costs (3)	90,162	40,167
Other provisions	196,156	211,363
Provisions for contingencies (4)	918,979	92,561
Total current	**1,722,243**	**1,115,513**
Long term:		
Provision for abandonment, facility dismantling and environmental recovery costs (5)	4,469,500	3,802,841
Provisions for community members (6)	445,364	424,500
Total long term	**4,914,864**	**4,227,341**
Total	**6,637,107**	**5,342,854**

(1) The movement in the provision for legal proceedings as at December 31, 2013, is as follows:

	Number of Proceedings	Provision Amounts
Opening Balance	673	770,922
Additions, new provisions	229	96,267
Recovery from transfer of proceedings	(615)	(307,113)
Uses	-	(43,630)
Closing Balance	**287**	**516,446**

The movement in the provision for legal proceedings as at December 31, 2012 is as follows:

	Number of Proceedings	Provision Amounts
Opening Balance	812	682,158
Additions, new provisions	309	402,044
Recovery from transfer of proceedings	(446)	(307,789)
Uses	(2)	(5,491)
December 2012, Closing Balance	**673**	**770,922**

(2) Corresponds to the estimated pension amounts, pending payment, for people who joined Ecopetrol after January 29, 2003 (Act 797 of 2003) and until the first quarter of 2004, who are covered by the General Pension Scheme (from the Spanish *Régimen General de Pensiones*).

(3) The decrease corresponds to $93,550 mainly used in the following fields: La Cira, Casabe, Provincia, Llanito, San Francisco, Lisama, Ballena, Orito, Yarigui-Cantagallo and La Gloria.

The following shows the movements in the provisions for short-term abandonment, facility dismantling and environmental recovery costs:

	As at December 31, 2013	As at December 31, 2012
Opening Balance	40,167	89,193
Update studies on well abandonment costs	(4,060)	20,072
Short-term update	147,605	29,868
Uses	(93,550)	(98,966)
Closing Balance	**90,162**	**40,167**

(4) Represented by: (i) $804,358 to comply with payment of pension liability (Note 21 No 3.); (ii) $28,364 for potential PDVSA claims for payment of work to clean up and decontaminate Lake Maracaibo in Venezuela; (iii) $86,101 for situations with environmental implications; and (iv) $156 corresponding to the success-based fees for the representative in the litigation against Ecopetrol initiated by Industrias Crizasa.

(5) The movements of the provision for long-term abandonment, facility dismantling and economic recovery costs is as follows:

	As at December 31, 2013	As at December 31, 2012
Opening Balance	3,802,841	3,566,262
Additions, updates - (Decreases)	881,003	266,447
Short term transfers	(147,605)	(29,868)
Retirement of assets	(66,739)	-
Closing Balance	**4,469,500**	**3,802,841**

(6) Includes the interim relief ordered by the Council of State in its decree of June 24, 1994 in the invalidity action brought by the Ministry of Mines and Energy against Comuneros (community members) of Santiago de las Atalayas and Pueblo Viejo de Cusiana, corresponding to the attachment and seizure of the payments to be made by Ecopetrol for royalties, based on Royalty contracts No. 15, 15A, 16 and 16A, declared null and void by the Council of State in its ruling of September 13, 1999, in which it was ordered that such interim relief should be cancelled and that the attached and seized amounts should be handed over to the State - the Ministry of Mines. Ecopetrol has capacity as receiver. Of said amount, $90,752 corresponds to the value initially recognized by Ecopetrol, as well as the valuation of the fund containing the resources; $357,903 corresponds to generated interest. In a ruling on December 12, 2012, notified by edict on January 21, 2013, the Council of State declared that the special plea for reconsideration filed by the Comuneros was dismissed.

(19) Other Long-term Liabilities

The balance of other long-term liabilities is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Credit deferred income tax	2,004,723	1,657,613
Advances received from Ecogas for BOMT's	335,550	369,517
Other liabilities	105,807	76,685
Total	**2,446,080**	**2,103,815**

(20) Shareholders' Equity

Subscribed and Paid-in Capital

Ecopetrol's authorized capital amounts to $15,000,000, and is comprised by 60,000,000,000 ordinary nominative shares at a $250 pesos par value each. 41,116,698,456 of such shares have been subscribed represented by 11.51% of non-controlling interest and 88.49% held of shareholders from Government entities. The value of the reserve shares amounts to $4,720,825 comprised by 18,883,301,544 shares.

Additional Paid-in Capital

Mainly corresponds to: (i) the surplus with regards to its par value derived from the sale of shares upon capitalization in 2007 in the amount of $4,700,963; (ii) $31,225 corresponding to the value generated by placing shares on the secondary market, arising from the execution of guarantees from debtors in arrears in accordance with the stipulations of Article 397 of the Code of Commerce; and (iii) to the surplus over the par value arising from the sale of shares awarded in the second round, which took place in September 2011, in the amount of $2,222,443.

The Detail of the additional paid-in capital is comprised as follows:

	As at December 31, 2013	**As at December 31 2012**
Additional paid-in capital shares	6,954,631	6,954,549
Additional paid-in capital receivable	(257)	(302)
Total	**6,954,374**	**6,954,247**

Summary of Valuations and Surplus from Valuations

Property, plant and equipment (i)	**As at December 31, 2013**	**As at December 31, 2012**
Plant and equipment	3,701,009	4,997,112
Buildings	1,656,859	2,216,476
Land	2,277,476	2,805,889
Pipelines and lines	1,702,953	5,374,552
Transportation equipment and other assets	104,104	107,321
Communication and Computer Equipment	33,138	33,070
	9,475,539	**15,534,420**
Variable yield Investments		
Investments in mixed economy companies	814,360	647,119
Investment in Government entities	466,673	496,125
	1,281,033	**1,143,244**
Total	**10,756,572**	**16,677,664**

(i) As at December 31, 2013, valuations of property, plant and equipment show a decrease of $6,351,822 mainly due to the transfer of assets for the incorporation of CENIT and ($292,941) for the appraisal made in 2013 for refining assets.

Equity Reserves

The legal reserve is made up of 10% of net income and can be used to offset losses or to distribute in the event of liquidating the Company.

On March 21, 2013, the results for 2012 were considered by the General Assembly of Shareholders, at which it was decided not to increase the legal reserve since it currently represents 50% of the subscribed capital.

Increases were approved in the reserves for compliance with Regulatory Decree 2336 of 1995 (reappraisal at market prices) for $215,406. From such amount, the reserves accumulated as at December 31, 2012 in the amount of $1,829,362 were also released; and the reserves for executing investment projects in the amount of $2,628,878 were increased, as well as $1,260,000 for performing infill drilling campaigns, and $1,338,204 for unrealized profits of the Business Group. Additionally, reserves in the amount of $605,135 were released to strengthen transportation infrastructure.

The detail of reserves is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Legal reserve	5,139,587	5,139,587
Occasional reserves for investment programs	9,945,733	5,323,786
Regulatory Decree 2336 of 1995	215,406	1,829,362
Total	**15,300,726**	**12,292,735**

Incorporated Institutional Equity

Corresponds to the product of commercial activity mainly linked to the following associates contracts: Nare; Matambo; Garcero; Corocora; Estero; Caracara, for the Sardinas 6, Remache Norte 3, Abejas 3, Jaguar T5 and T6 wells, Orocué; the Guarilaque 7 well; Campo Rico for the Candalay, Jordán 5, Remache Norte 2 and 5, Abejas 2 and Vigia wells, and the incorporation of the Cocorná materials warehouse.

Effect of Applying the Government Accounting Regime-RCP (from the Spanish *Régimen de Contabilidad Pública)*

Corresponds to the transfer of negative balances derived from devaluations of property, plant and equipment, as established by the Public Accounting Regime as from 2008.

This heading also shows the responsibilities pending decision arising from proceedings on loss of materials, through enforcement of the process established in the above - mentioned standard.

(21) Memorandum Accounts

The detail of memorandum accounts is comprised as follows:

	As at December 31 2013	As at December 31, 2012
Debtor		
Exploitation rights - Decree 727 of 2007 (1)	61,016,768	65,885,263
Other contingent rights and debtor accounts (2)	35,532,747	25,276,301
(Deductible and non-deductible) costs and expenses	22,890,984	22,033,048
Pension-related autonomous equity (3)	11,449,876	11,866,064
Securities given in custody and guarantee	1,249,286	5,549,724
Implementation of investment projects	21,953	129,455
Legal proceedings	779,871	648,581
Total	**132,941,485**	**131,388,436**
Creditor		
Legal proceedings	28,804,122	33,504,773
Goods received in custody (4)	20,047,535	27,328,905
Contractual guarantees (5)	14,002,731	14,327,340
Pension-related autonomous equity	12,254,234	11,730,386
Non-tax liabilities	10,660,393	9,821,795
Work Contracts	3,267,904	-
Other contingent liabilities	5,179	3,242,524
Potential liabilities - pension liabilities (6)	405,769	809,596
Non-taxed income	5,567,612	5,821,444
Mandate agreements (7)	1,279,886	1,416,574
Administration funds - Decrees 1939 of 2001, and 2652 of 2002	973,564	973,565
Future BOMT payments	19,028	108,769
Total	**97,287,957**	**109,085,671**

(1) Reserves valued as at December 31, 2013 based on the volumes in the audited reserves study and applying the average price set by SEC-approved regulations. On March 7, 2007, Decree 727 was issued, featuring the regulations for valuating reserves and accounting for the Nation's hydrocarbon reserves in the Company's financial statements. The decree also establishes that value of hydrocarbon exploration and production rights it owns must recorded. Said value is recorded under memorandum accounts in accordance with the opinión provided by the National Accounts Office (CGN); however, the memorandum accounts are not part of the Company´s balance sheet.

(2)

(2) The balance corresponds mainly to the following: (i) the balance of tax memorandum accounts in the amount of $30,224,255, which reflect the differences between the values of both equity and income statement accounts taken from the 2012 tax return, and the accounting balances. The differences are derived from concepts such as valuations, allowance not accepted for tax purposes, the difference in the amortization method for oil investments, which is done by using the units of production method for accounting purposes, and by using the straight-line method for tax purposes, and the effect of the adjustment for inflation, amongst other and (ii) securities in custody in the amount of $5,308,492.

(3) Reflects the contingent right (debtor account) on resources placed in the pension-related autonomous trust, to pay transferred pension liabilities, in order to control the existence of liquid resources in the autonomous equity fund. The value transferred as at December 31, 2013 in the amount of $11,449,876 ($10,092,528 on the date of transfer, December 31, 2008) corresponds to the pension liability for monthly pension payments, shares and pension bonds; the amounts tied to health and education are within Ecopetrol's pension liability. The transferred resources, and their yields, cannot change destination or be returned to the Company until all pension liabilities have been fulfilled.

The Detail of pension-related autonomous pension trust funds is comprised as follows:

	As at December 31, 2013	As at December 31, 2012
Consorcio Ecopensiones 2011	3,007,450	2,855,165
Porvenir S.A	2,525,046	2,609,500
Consorcio Pensiones Ecopetrol 2011	2,058,602	2,151,960
Unión temporal Skandia-HSBC	1,813,095	2,142,634
Consorcio Bogotá-Colpatria-Occidente	2,045,683	2,106,805
Total	**11,449,876**	**11,866,064**

(4) Includes, the value of royalties corresponding to the balance of Ecopetrol reserves, in the amount of $19,740,624 (2012 - $27,222,901), calculated according to SEC-approved regulations. This heading also includes the inventories of products sold and materials pending delivery to clients, in the amount of $43,453 (2012 - $37,203); as well as goods received in concession custody: Coveñas in the amount of $41,660; Pozos Colorados in the amount of $21,058; and Tumaco in the amount of $6,083 (2012 - $41,660; $21,058 and $6,053, respectively) and investments of Black Gold administered by Ecopetrol in the amount of $193,658.

(5) Includes contracts pending for execution, in pesos, dollars and euros, updated at the TRM as at December 31, 2013 in the amount of $12,917,756 and standby letters of credit guaranteeing contracts signed by Ecopetrol S.A. in the amount of $1,084,975.

The financial closing for awarding two contingent guarantees to Refinería de Cartagena S.A. - Reficar by Ecopetrol was carried out on December 30, 2011. Such guarantees are part of the financial support granted by a group of Export Credit Agencies and by commercial banks for the project of expansion and modernization of Refinería de Cartagena. The financing structure is of the Finance Project type with a maximum repayment term of 14 years, counted as of the six months following the date of the Project completion. Forthe project financing purposes, Ecopetrol granted to Reficar: i) Contingent guarantee for the resources necessary to complete the project (US$1,447 million equivalent to $2,788,123 million at the TRM of December 31, 2013); and ii) a contingent guarantee for the payment of eventual amounts that could be needed by Reficar for the debt service between December 2013 and December 2014 (US$249 million equivalent to $479,781 million at the TRM effective at December 31, 2013).

(6) Made up of the value of the actuarial calculation of monthly pension payments, shares and bonds as at December 31, 2013 plus the percentage of amortization of the 2010 reserve that arose from the change in the accounting principle for amortization. As at December 31, 2013 the amortizable reserve was 4%, equivalent to $405,769.

The balance of the amortized actuarial liability is as follows:

Concept	**As at December 31, 2013**	**As at December 31, 2012**
Actuarial calculation of the liability for monthly pension payments and pension bonds	12,660,003	12,539,982
Less - Actuarial calculation pending amortization	(405,769)	(809,596)
Amortized actuarial liability	**12,254,234**	**11,730,386**

The balance of pension-related autonomous trust funds, the value of the actuarial reserve, and the amortized value of the pension liability for monthly payments are included in memorandum accounts.

The actuarial calculation was carried out by using a technical interest rate of 4%. The increase in salaries, pensions in cash and pensions in kind was calculated by using the average inflation rate as determined by the National Statistics Administration Department (from the Spanish *Departamento Administrativo Nacional de Estadística*), During the three years immediately preceding the calculation year.

As at December 31, 2013, 13,106 people were covered in the actuarial calculation, and 13,885 were covered in pension bonds.

(7) Includes the value of assets received in custody from Refinería de Cartagena S.A. in fulfillment of obligations acquired under the mandate contract signed between Ecopetrol and that Company to operate the refinery, as follows: product inventories in the amount of $358,351 (2012 - $429,108); and property, plant and equipment in the amount of $921,355 (2012 - $957,197).

(22) Revenues

The balance of revenues for the years ended December 31, is as follows:

	2013	2012
National sales		
Mid-distillates	9,578,202	9,127,182
Gasoline	5,071,421	4,949,470
Services	2,154,187	1,649,824
Crude	1,571,428	592,841
Other products	1,269,339	1,302,264
Natural gas	1,082,773	941,237
Asphalts	392,010	369,768
L.P.G. and propane	369,278	452,627
	21,488,638	**19,385,213**
Recognition of price differential (1)	755,797	605,851
	22,244,435	**19,991,064**
Foreign sales		
Crude	35,910,415	35,328,716
Fuel oil	3,538,849	3,129,472
Natural Gas	618,664	604,816
Propylene	103,017	125,888
Gasoline and turbo fuel	52,664	299,717
Other products	23,004	37,968
Diesel	23,231	6,945
	40,269,844	**39,533,522**
Total	**62,514,279**	**59,524,586**

(1) Corresponds to the application of Decree 4839 of December 2008, which defined the procedure for price differentials (value generated by the difference between parity price and regulated price which can be positive or negative).

(23) Cost of Sales

The balance of cost of sales for the years ended December 31, is as follows:

	2013	2012
Variable costs:		
Imported products (2)	8,882,280	6,863,138
Hydrocarbon purchases - ANH (1)	7,908,569	8,646,762
Hydrocarbon transportation services (3)	4,584,069	1,969,618
Purchase of crude in association and concession contracts	3,500,597	4,374,225
Amortization and depletion	2,868,044	2,586,940
Purchases of other products and gas	1,097,421	894,243
Services contracted in association	603,011	512,138
Volume adjustments and other allocations	315,170	(28,311)
Processing materials	279,480	245,866
Electric Power	184,897	193,492
Initial inventory less final inventory	(343,275)	(294,483)
	29,880,263	**25,963,628**
Fixed costs:		
Maintenance	1,764,065	1,557,640
Services contracted in association	1,630,879	1,467,066
Contracted services	1,365,990	1,131,457
Depreciation	1,285,097	1,307,679
Labor costs	1,179,626	1,019,332
Taxes and contributions	419,246	186,573
Non-capitalized project costs	398,681	561,416
Operating materials and supplies	341,763	317,212
Amortization of deferred charges, intangible assets and insurance policies	80,858	82,077
General costs	61,313	51,788
Amortization of the actuarial calculation for health and education	27,727	171,902
	8,555,245	**7,854,142**
Total	**38,435,508**	**33,817,770**

(1) Corresponds to Ecopetrol's crude oil and gas purchases from the ANH derived from domestic production, both by the Company in direct operations and by third parties.

(2) Corresponds mainly to purchases of very low sulfur diesel oil and diluents agents to facilitate the transportation of heavy crude oil.

(3) Includes the effect of applicating the new benefit center business modelwith rates from the Ministry of Mines and Energy for the transportation in pipelines in ODC and Ocensa as of February of 2013 and starting Cenit's operations as of April 1, 2013 and Bicentenario, operations as of on November 1st.

(24) Operating Expenses

Operating expenses for the years ended December 31, are as follows:

	2013	2012
Administration:		
Amortizations (1)	282,401	291,884
Loss in Goodwill withdrawal	353,012	-
Labor expenses	233,453	195,749
General expenses	123,332	116,113
Depreciations	17,990	15,952
Amortization of the actuarial calculation for health and education	1,770	8,896
Rentals and leases	642	1,917
Taxes	123	433
Maintenance	27	7
	1,012,750	**630,951**
Operation and projects:		
Taxes	859,578	802,895
Operating provisions, net (4)	575,660	294,002
Exploration expenses (2)	536,357	591,412
General expenses	395,381	289,688
Agreements for support of public security	280,665	201,501
Labor expenses	219,394	254,373
Projects expenses (3)	183,784	217,999
Customs operation	142,289	111,532
Audit installment	87,923	55,686
Contributions and donations	43,655	34,082
Previous periods (5)	43,562	(127,111)
Loss of fuel	38,765	83,039
Transportation via gas pipeline and freight	23,153	142,140
Maintenance	8,485	19,014
Gas supply default	-	764
	3,438,651	**2,971,016**
Total	**4,451,401**	**3,601,967**

(1) Includes amortization of goodwill for the following companies: Polipropileno Del Caribe S. A., Oleoducto Central S.A., Hocol S.A., Andean Chemicals Ltd., Offshore International Group and Equión Energia Limited in the amount of $282,400 (December 31, 2012 - $291,884).

(2) Exploration expenses during 2013 correspond to feasibility studies in the amount of $95,853; G&G studies in the amount of $12,198; non capitalized items of projects in the amount of $199,409; dry wells in the amount of $27,704; seismic studies in the amount of $201,193 (offshore $57,654).

(3) Project expenses are highlighted by the Consulting of Acquisition Projects before the Colombian Institute of Petroleum Directorate - Effectiveness Unit in the amount of $85,835, Administration of projects in the Administrative Shared Center Services and the Colombian Institute of Petroleum Management in the amount of $43,283.

(4) The detail of operating provisions for the years ended December 31, are as follows:

	2013	**2012**
Transfer of pension liabilities	804,358	-
Debtors	29,225	69,338
Litigations	102,284	580,750
Inventories - products and materials	1,997	-
Property, plant and equipment	68,310	310,071
Investments	9	-
	1,006,183	**960,159**

The Detail of the recovery of operating provisions for the years ended December 31, is as follows:

	2013	**2012**
Property, plant and equipment	63,856	121,864
Abandonment costs	13,976	11,269
Debtors	2,247	225
Litigations	307,113	258,784
Others (a)	43,331	25,924
Transfer of pensions (See Note 21 No 3)	-	241,624
Inventory of products and materials	-	6,467
	430,523	**666,157**
Net	**575,660**	**294,002**

(a) Corresponds to the recovery of a higher value provisioned for bond in 2012 $20,829; adjustment to environmental contingencies provision $20,427; update actuarial reserve for health $1,145; and other minor provisions $930.

(5) Comprises: $20,514 change in methodology for estimating exploration expenses; $18,136 agreements liquidation; $14,399 legalization association expenses; $9,251 recoveries of projects costs; $46,983 Arbitration Award, Association contract Quifa; $7,314 update actuarial appraisal in health; $3,859 reimbursement from ANH due to higher price paid; $4,805 freight, commissions, penalties for noncompliance and others.

(25) Financial Income (Expenses), Net

The detail of financial income (expenses), net for the years ended December 31, is as follows:

	2013	2012
Income:		
Foreign exchange gain (1)	2,629,733	3,412,931
Yields and interests	288,700	396,248
Dividends in cash	66,576	32,541
Profit from appraisal of investment portfolio	59,607	178,065
Hedging operations (2)	2,273	4,934
	3,046,889	**4,024,719**
Expenses:		
Foreign exchange loss (1)	2,644,582	3,850,445
Interest	442,417	394,028
Other minor expenses	60,176	1,586
Hedging operations (2)	1,731	4,253
	3,148,906	**4,250,312**
Net	**(102,017)**	**(225,593)**

(1) The accumulated loss due to net exchange rate differences as at December 2013 amounted to $14,848 ($437,514 loss),Mainly due to the 8,97% devaluation of the Colombian pesos, as the closing exchange rate came from of $1.768,23 on December 31, 2012, to $1,926.83 on December 31, 2013.

(2) The results of hedging transactions as at December 31, 2013 and 2012 correspond to those derived from exchange rate derivatives.

(26) Pension Expenses

The detail of pension expenses for the years ended December 31, is as follows:

	2013	2012
Amortization of actuarial calculation and pensions (1)	196,747	688,693
Health care services	226,643	204,269
Education services	55,347	55,493
	478,737	**948,455**

(1) As at December 31, 2013 the actuarial calculation study was updated. The actuarial calculations for health care and education were prepared applying the mortality tables updated in 2010 and using the technical interest rate of 4.8%. In order to estimate the value of the future benefits, an increase of 5.922% was used, corresponding to 2012 inflation rate plus an additional 1.5%, taking into account the Company´s actual growth.

(27) Inflation gain

It corresponds to the net amortization of the balance as of December 31, 2012 for the amount of $97,197.

(28) Other Income (expenses) net

The detail of other income (expenses), net for the years ended December 31, is as follows:

	2013	2012
Other Income		
Profit on sale of materials and property, plant and equipment (1)	184,346	4,787
Recovery of collection expenses	164,175	66,756
Deferred BOMT income	130,690	125,542
Recovery of expenses	125,261	72,354
Other minor revenues	45,807	36,186
Compensation received	13,167	14,539
Income from services	3,416	3,245
	666,862	**323,409**
Other expenses		
Gas pipeline availability under BOMT contracts	102,819	108,134
Inter-administrative agreements and social investment	145,586	175,119
Loss in fixed assets writes - off	22,478	127
Other minor expenses	28,442	19,539
	299,325	**302,919**
	367,537	**20,490**

(1) Corresponds to $174,285 profit for divestment of assets in El Difícil, Guarimena and Entrerríos fields and to $10,061 for the sale of scrap.

(29) Results from Subsidiaries, Net

The results of the application of the equity method to subsidiaries and significant influence companies for the years ended December 31, were as follows:

	2013	2012
Cenit - Transporte y Logística de Hidrocarburos (1)	860,423	84,951
Ecopetrol Global Energy (3)	(587,919)	(372,177)
Ecopetrol Pipelines International Limited (2)	279,475	(5,094)
Equion Energía Limited	265,461	367,043
Hocol Petroleum Company	227,536	468,454
Andean Chemicals Ltd.	(131,652)	(79,936)
Refinería de Cartagena S.A.	(128,371)	(73,514)
Offshore International Group	57,189	77,798
Invercolsa	48,478	35,794
Ecopetrol Capital AG	29,201	41,823
Black Gold Re Limited	22,841	26,071
Ecodiesel Colombia S.A.	11,042	8,727
Polipropileno del Caribe S.A.	8,628	26,266
Ocensa S.A.	-	16,916
ODL Finance S.A.	-	15,276
Oleoducto de Colombia S.A.	-	13,460
Ecopetrol Transportation Company (2)	-	7,097
ECP Transportation Investments (2)	-	4,337
Serviport	-	1,633
Oleoducto Bicentenario de Colombia S.A.	-	(3,993)
Ecopetrol América Inc.	-	(4,450)
Ecopetrol del Perú S.A.	-	(6,180)
Ecopetrol Oleo e Gas Do Brasil Ltda.	-	(173,157)
Net Result	**962,332**	**477,145**

(1) The investment in CENIT includes the participation in Ocensa S.A, Oleoducto de Colombia S.A., ODL Finance S.A, Oleoducto Bicentenario de Colombia S.A. and Serviport S.A.

(2) Ecopetrol Transportation Investments and Ecopetrol Transportation Company were merged into Ecopetrol Pipelines International Limited.

(3) The investment in Ecopetrol Global Energy includes the participation in América Inc, Ecopetrol Oleo e Gas Do Brasil Ltda. and Ecopetrol del Perú S.A.

(30) Contingencies

The following is a summary of the most significant legal proceedings with claims above $10,000 million pesos, for which allowances have been recognized, in accordance with the evaluations of the Company's internal and external advisors, as at December 31, 2013 and December 31, 2012:

Proceeding	Suit	Allowance Amount as at December 31, 2013	Allowance Amount as at December 31, 2012
Municipality of Arauca	Class action suit. Contributions to the solidarity and electric-power-generation revenues redistribution fund, pursuant to Act 142 of 1994.	283,010	283,010
Municipalities of Aguazul, Tauramena	Class action suit. Contributions to the solidarity and electric-power-generation income redistribution fund, pursuant to Act 142 of 1994.	-	220,044
Garcero Association contract	Class action suit from Luis Enrique Olivera Petro against Ecopetrol, the Nation, the Ministry of Mines and others, on the extension of the Garcero association contract.	155,184	155,184
Offshore Exploration and Production, LLC	International Arbitration Court - In the framework of the purchase of Offshore International Group, the Seller (Offshore Exploration and Production LLC) filed a lawsuit to the Buyers (Ecopetrol and KNOC) in an international arbitration court before the International Center of Dispute Resolution, seeking to establish the liability limits acquired and established in the Purchase Agreement, in order to reject the claims and compensation requirements that Ecopetrol and KNOC have submitted to the Seller. Ecopetrol and KNOC filed a counterclaim lawsuit.	23,122	-
16 Claims Salary Impact - Saving Stimulus Suit	Apply the salary impact to the amounts paid under the saving stimulus scheme and consequently reassess fringe benefit payments (legal and extralegal) and monthly pension payments, from the date at which Ecopetrol began recognizing it.	18,689	18,689

As at December 31, 2013, the balance of the allowance for legal proceedings amounts to $516,446 (2012 - $770,922).

(31) Commitments

Gas Supply Contracts

In addition to existing contracts, the Company has entered into new gas sale or supply contracts with third parties, such as, Gas Natural S.A. E.S.P., Gecelca S.A. and Empresas Públicas de Medellín E.S.P. At June 2013, Ecopetrol had sold an average of 541.98 GBTUD in the amount of $818,263 (2012 - $1,519,631) million Colombian pesos (including exports).

Ship or Pay Contracts

Ecopetrol and ODL Finance S.A. have signed the following Ship or Pay contracts: i) the first contract is an agreement that supports the five-year debt obligation (Financial Tariff) with Grupo Aval. All payments are collected in a trust, from which the debt amortization payments are made. This contract was replaced by a new one, subscribed in May 2010, for a seven-year term, to reflect the new terms agreed with Grupo Aval, and ii) the second contract backs a securitization process (securities-related autonomous trust) for a seven-year term. The securities are administered from their issuance date by an autonomous trust fund structured for that purpose, to which the rights for invoicing, collecting and paying the securities holders have been assigned.

Under the first ship or pay contract, ODL Finance S.A. is committed to transporting 75,000 barrels of crude a day during the two-year grace period for the facility, and 90,000 barrels of crude oil per day during the subsequent five years. Under the second contract, ODL Finance S.A. is committed to transporting 19,500 barrels of crude during the first phase of the construction project (which began operations in September 2009) and 39,000 barrels of crude oil a day from the beginning of the second phase, which took place in the first quarter of 2010.

Bicentenario Ship or Pay Contract for Crude Oil Transportation

In order to finance the construction Stages 0 and 1 of the Bicentenario oil pipeline, crude oil transportation contracts were signed, creating the obligation on the part of the respective shareholder or affiliate to ship crude oil under its ownership: (i) from the Araguaney station to Coveñas, (ii) under the ‘ship or pay’ modality, and (iii) up to the capacity of the shareholder, determined by its share in Bicentenario, which will depend on the contracted capacity of all Bicentenario’s shareholders and/or affiliates, and which shall not be less than 110,000 bpcd.

In exchange for the shipping service, the shareholder or its affiliate must pay a fixed monthly fee, even if no barrels at all are shipped, from one of the following dates, whichever comes first: (i) The date at which the oil pipeline begins operation or (ii) 12 months from the date of the first disbursement of the syndicated loan, namely July 5, 2013. The right to receive the fee under the ship or pay modality was assigned to an autonomous trust created for the purpose of administrating and making payments.

The contracts will initially be in effect from the date of the first payment of the fee, or the date of the beginning of service, whichever takes place first, and will end on either (a) 12 years after the beginning of the period, or (b) the day on which all of the obligations under the contract have been discharged, whichever comes last. Once the above period has been completed, the contract will be in effect for an additional period of 20 years.

(32) Subsequent Events

On January 1, 2014 a transfer of the assets from ports to Cenit was performed, based on commitments acquired on December 17, 2013 by the Company; the net value of the assets transferred amounted to $274,509 net (historic cost $455,763 net of accumulated depreciation for $181,254).

(33) Presentation

Certain line items from the financial statements as at December 31, 2012 were reclassified in order to make the presentation of such financial statements comparable to that of the financial statements as of December 31, 2013.

(34) Oil and Gas Reserves (Not audited by PWC)

Ecopetrol complies with international standards for estimation, categorization and reserves report, as defined by the Securities and Exchange Commission (SEC). The process is headed by the Reserves Directorate of the Financial Vice-president. The official reserves report was filed to Ecopetrol Reserves Committee on January 2013, to the Audit Committee of the Board on January 30, 2014 and was filed to the Board on February 14 for its approval.

This process is headed by the Reserves Directorate of the Financial Vice-president, who defines and implement guidelines and controls for the organization, to ensure the consistency in the interpretation and the application of standards in force for the estimation of reserves.

The reserves were audited in 99% by 3 specialized audit firms: Gaffney, Cline & Associates, De Golyer and MacNaughton and Ryder Scott Company. According to such certifications, the reserves report is consistent with the context and guidelines set forth in Rule 4-10 of Regulation S-X of U.S Securities and Exchange Commission (SEC).

The following information corresponds to net proved reserves owned by Ecopetrol in 2013 and 2012 (Does not include affiliates nor subordinates), which correspond to official balanced of reserves prepared by the Company.

	2013			2012		
	Oil (Mbls)	**Gas (Gcf)**	**Oil equivalent (Mbe)**	**Oil (Mbls)**	**Gas (Gcf)**	**Oil equivalent (Mbe)**
Proved reserves as at January 1	1,297.2	2,787.9	1,786.3	1,287.0	2,659.3	1,753.5
Revisions	160.2	324.9	217.3	44.0	30.4	49.3
Improved recovery	22.9	19.9	26.4	65.3	-	65.3
Extensions and discoveries	64.2	5.7	65.2	86.2	273.2	134.2
Sales	(0.6)	(12.3)	(2.8)	-	-	-
Production	(193.6)	(210.1)	(230.5)	(185.3)	(175.0)	(216.0)
Net reserves proved at the end of the period	**1,350.3**	**2,916.0**	**1,861.9**	**1,297.2**	**2,787.9**	**1,786.3**

Mbls = Mililons of barrels
Mbe = Millions of barrels equivalent
Gpc:Giga cubic feet