

BP Seeking \$7.9B for Gulf Oilfields

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NEW YORK (AP) — BP PLC is asking for up to \$7.9 billion for some of its oilfields in the Gulf of Mexico as it continues to sell assets after the 2010 oil spill, according to Bloomberg News.

According to the report Tuesday, which cited two people with knowledge of the matter, BP could clear up to \$5 billion to \$6 billion after the buyer pays taxes.

BP declined to comment on financial terms of a sale but said that it intends to remain the largest oil and natural gas producer in the Gulf.

"No one should confuse our effort to sell these older, non-strategic assets, which we announced months ago, with our ongoing commitment to the Gulf of Mexico," said spokesman Brett Clanton. He said BP still plans to invest at least \$4 billion per year over the next decade in the Gulf.

The company has six rigs in the Gulf now and plans to have eight by the end of the year, an all-time high.

Shares of BP rose 18 cents to \$42.27 in afternoon trading.

London-based BP hopes to sell \$38 billion worth of assets by the end of 2013 to help pay the costs of cleaning up the Gulf oil spill.

On Monday, BP announced it agreed to sell a refinery in Carson, Calif., and pipelines and Arco-branded gasoline stations to Tesoro Corp. for \$2.5 billion. BP also said it was selling two gas-processing plants in Texas. Those sales had been expected for a long time.

The Tesoro deal brought BP's asset sales to \$26.5 billion since the April 2010 Gulf oil spill.

BP leased the Deepwater Horizon rig that exploded while drilling a well off the Louisiana coast, killing 11 workers and triggering a largest offshore oil spill in U.S. history. More than 1 million damage claims have been filed with a court-supervised settlement program. BP expects to complete payments into a planned \$20 billion trust by the end of the year.

BP said this spring that it had marked for sale its interests in Gulf fields known as Marlin, Horn Mountain, Holstein, Ram Powell and Diana Hoover. Bloomberg said the fields hold proven reserves of 120 million barrels of oil and produced 58,000 barrels per day in the first quarter. It said potential bidders could include Chevron Corp. and Exxon Mobil Corp.

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CEO Robert Dudley said last month that the company's Gulf strategy would focus on four major fields: Thunder Horse, Na Kika, Atlantis and Mad Dog.

In July, BP reported a second-quarter loss of \$1.4 billion on lower oil prices, falling production and write-downs of assets including shale-gas holdings in the U.S. The loss was larger than analysts expected and a reversal from profit of \$5.7 billion a year earlier.

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