

TNK-BP Mulling Purchase of BP Assets

By [The Moscow Times](#)

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Drill ships and response vessels working in the Gulf of Mexico on a relief well at the site of the Deepwater oil spill. **Sean Gardner**

TNK-BP, half-owned by oil major BP, said Thursday that it was considering buying BP's Venezuelan assets, as the British oil major looks to raise funds to cover costs incurred by the Gulf of Mexico oil spill.

"TNK-BP supports the intent of its 50 percent shareholder BP to strategically realign its asset base in Venezuela and is actively evaluating the opportunity to participate in the assets," a company spokesman said.

"TNK-BP views this as an opportunity to further develop its international business portfolio and expand its presence in Venezuela, where it already has an investment in the Russian National Oil Consortium's joint venture with PDVSA," it said.

"We believe the realignment would be beneficial for both companies and would foster further development of Venezuela's oil sector."

BP has written to Venezuela's state oil company "raising the possibility" of selling its stakes in three projects to TNK-BP Holding, Petroleos de Venezuela vice president Eulogio del Pino said Wednesday.

BP needs the Venezuelan government's approval to begin negotiations on the proposed sale, del Pino said in a mobile phone text message. BP did not indicate a value for the assets, he said.

"We received a letter from BP raising the possibility of transferring its stakes of 16.66 percent in Petromonagas and its minority stakes" in two further ventures to TNK-BP, he said.

BP plans to dispose of between \$25 billion and \$30 billion, mostly in oil and gas production "worth more to other companies than to BP" in the next 18 months, the company said July 27 after reporting a record \$17.2 billion second-quarter loss because of the costs of the gulf oil spill.

The company is reducing its debt to as little as \$10 billion in the next 18 months after cutting it by \$5 billion to \$23.2 billion last quarter from a year earlier. Capital expenditure will be about \$18 billion this year and next, BP said July 27, keeping a lower target laid out last month.

In Venezuela, BP operates the Petroperija and Boqueron ventures as a minority partner with PDVSA and helps run the Petromonagas venture, which produces 110,000 barrels of oil a day, according to BP's web site.

(Reuters, Bloomberg)

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