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# New Oil Company Quickly Snatching Up Assets

By The Moscow Times

August 19, 2013




Independent Petroleum Company, a newcomer on Russia's resource extraction market set up by former Rosneft chief Eduard Khudainatov, has begun accumulating assets, announcing the $500 million purchase of two oil and gas producers.

The acquisitions of gas producer Geotex and the oil and gas company Payakha have provoked talk of a new consolidator in an industry with only a few major players, Kommersant reported.

Khudainatov established the company last year while serving as vice president at Rosneft, having been replaced by former Deputy Prime Minister Igor Sechin as the oil giant's chief after Vladimir Putin's reelection as president.

Sechin said in connection with Khudainatov's departure that "demand has formed [in the Russian market] for the development of private business in the oil and gas sector."

The source of financing for the purchases is unclear, however, as it is unlikely that Khudainatov would be able to buy the companies with his own funds.

The young company will become an active player on the oil and gas market, said Karen Dashyan of Advance Capital, a Moscow consultancy, and will most likely focus on assets in eastern Siberia.

Payakha produces oil in the Krasnoyarsk region and has reserves estimated at 58.9 million tons. The company reported a loss of 16 million rubles ($480,000) in 2012.

Geotex holds a license to produce gas on the Yuzhno-Mechetkinsky block in the Saratov region and posted revenue of 237 million rubles in 2011.

In July, industry experts claimed IPC was interested in the purchase of Musa Bazhayev's Alliance Oil, though Bazhayev denied any negotiations.

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