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LUKoil Buys Into Cameroonian Offshore Project

By The Moscow Times

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Russia's No. 2 oil producer LUKoil has bought a 37.5 percent share in the Etinde project off the coast of Cameroon from Edinburgh-based oil and gas explorer Bowleven, both companies said Tuesday in online statements.

At the same time, New Age African Global Energy has bought a 12.5 percent stake from Bowleven, raising the group's share to 37.5 percent.

The deals will see Bowleven's share drop from 75 percent to 25 percent while earning $250 million from the sale.

LUKoil and New Age will pay Bowleven a combined $170 million on completion of the deal, $40 million at the project's final investment decision, which is expected in 2015, and will cover $40 million in costs for two appraisal wells, according to Bowleven.

LUKoil said that the deal will be completed once Bowleven's shareholders and the Cameroonian government have given it their blessing.

The Etinde Permit is situated in the Gulf of Guinea and comprises three licensed blocks with a total area of 2,300 cubic meters. Thirteen of the 16 wells drilled in the the area have already yielded positive results and there are plans to drill two more in 2015.

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