

Exxon Freezes Arctic Partnership With Rosneft Over Sanctions, Report Says

By [The Moscow Times](#)

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A Rosneft icebreaker in the Kara sea last winter, where the joint Exxon-Rosneft rig began drilling in August 2014.

U.S. oil giant ExxonMobil is suspending cooperation with Russia's state-owned energy major Rosneft on offshore drilling in the Arctic due to sanctions, the daily Kommersant reported Monday, citing unnamed sources.

Rosneft and its head Igor Sechin, a longtime ally of President Vladimir Putin, were among the targets of Western sanctions imposed over Moscow's role in the Ukrainian conflict, which has claimed the lives of more than 3,000 people.

On Saturday, Rosneft said it had made an oil discovery jointly with ExxonMobil and that the two had successfully completed drilling of a well in the Kara Sea oil province, where oil reserves are estimated to be comparable to those of Saudi Arabia.

Exxon said earlier this month that the U.S. Treasury Department had given it a short extension to wind down a rig in the Kara Sea beyond the 14 days outlined in the sanctions targeting Western cooperation in Russia's oil sector.

"Theoretically, there was a possibility to continue the work, but it was necessary to obtain a new permit," Kommersant reported, citing one of the unnamed sources. "But [ExxonMobil] failed to get it. ExxonMobil should stop work and evacuate its personnel by mid-October."

Rosneft declined to comment on the report. ExxonMobil was not immediately available for comment.

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