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## BP Forms Alliance to Advance Paleogene Discoveries in Deepwater Gulf of Mexico

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**Under new ownership structure, BP, Chevron and ConocoPhillips will combine expertise and resources to unlock Tiber and Gila discoveries and pursue development of a new production hub in Keathley Canyon**

HOUSTON – BP announced today it has formed a new ownership and operating model with Chevron and ConocoPhillips to focus on moving two significant BP Paleogene discoveries closer to development and provide expanded exploration access in the emerging geologic trend in the deepwater Gulf of Mexico.

Under the agreements, BP will sell to Chevron approximately half of its current equity interests in the Gila and Tiber fields. BP, Chevron and ConocoPhillips also have agreed to joint ownership interests in exploration blocks east of Gila known as Gibson, where they plan to drill in 2015.

As a result of the agreements, BP, Chevron and ConocoPhillips will have the same working interests across Gila and Gibson and any future centralized production facility. Chevron will hold equity interest of 36 percent, BP 34 percent and ConocoPhillips 30 percent. In Tiber, BP and Chevron will each hold equity interest of 31 percent, Petrobras 20 percent and ConocoPhillips 18 percent.

Chevron will operate Tiber, Gila and Gibson, building on its recent success in starting up the Jack/St. Malo oil production platform in the Paleogene/Lower Tertiary on time and on budget. Operatorship is expected to be transferred after BP finishes drilling appraisal wells at Gila and Tiber.

BP believes combining the technical strengths and financial resources of these three companies will provide greater efficiency through scale, reduce subsurface risk and increase the likelihood of achieving a future commercial development.

"Completing these agreements will enable BP to do three things that are at the core of our strategy in the deepwater Gulf of Mexico," said Richard Morrison, president of BP's Gulf of Mexico business. "It will support continued exploration and development in the Paleogene, which we expect to be a key part of our future in the region. It will allow us to manage and maintain capital discipline by sharing development costs. And transferring operatorship of these assets to Chevron will allow BP to increase our focus on maximizing production at our four existing producing hubs in the Gulf, each of which is still in the early stages of development."

BP discovered Tiber in 2009 and Gila in 2013, and in October 2014 participated as a co-owner in the Chevron-operated Guadalupe discovery.

BP believes that development of portions of the Paleogene trend will require next-generation tools and systems for operating in high-pressure, high-temperature reservoirs. BP continues to pursue development of these technologies through its Project 20KTM initiative, announced in 2012, and will work with co-owners to continue this progress.

### About BP:

Over the past five years, BP has invested nearly \$50 billion in the US – more than any other energy company. BP is a leading producer of oil and gas and provides enough energy annually to light the entire country for a year. Employing more than 18,000 people in all 50 states, BP supports about 200,000 jobs total through all of its business activities. For more information, go to [www.bp.com/us/\(en/global/corporate/about-bp/bp-worldwide/bp-in-america.html\)](http://www.bp.com/us/(en/global/corporate/about-bp/bp-worldwide/bp-in-america.html)).

### Notes to Editor:

Prior to the transactions, BP had a 62 percent working interest in Tiber, with Petrobras owning 20 percent and ConocoPhillips 18 percent. In Gila, BP previously had a 65 percent working interest and ConocoPhillips 35 percent. In Gibson, ownership in the six-lease area varied based on lease, with Chevron, BP and ConocoPhillips all holding stakes.

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BP operates four large production platforms in the deepwater Gulf – Thunder Horse, Atlantis, Mad Dog and Na Kika – and holds interest in four non-operated hubs known as Ursa, Great White, Mars and Mars B.

BP is the largest investor and leaseholder in the Gulf of Mexico and a leading oil and gas producer in the region.

Since early 2013, BP has had four major project start-ups in the deepwater Gulf: Atlantis North, Mars B (operated by Shell), Na Kika Phase 3 and Atlantis North Expansion Phase 2.

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#### Cautionary Statement:

This press release contains certain forward-looking statements concerning BP's expectations regarding the formation of a new ownership and operating model with Chevron and ConocoPhillips (the model) for the development of its Paleogene discoveries in deepwater Gulf of Mexico, including expectations regarding the sale of its equity interests in Gila and Tiber fields and BP's resulting equity interests therein; expectations regarding the agreement of joint ownership interests in Gibson and plans to drill therein in 2016; expectations regarding future working interests across Gila and Gibson and any future centralized production facility; expectations regarding Chevron's future operatorship of Gila, Tiber and Gibson and the timing thereof; expectations that the model will increase efficiency, reduce subsurface risk and increase the likelihood of achieving a future commercial development; expectations regarding future benefits accruing to BP including support of continued exploration and development in the Paleogene, future maintenance of capital discipline through development cost sharing and increased focus on maximizing production at BP's four existing producing hubs in the Gulf; and expectations regarding the need for and continued development of advanced technologies. Actual results may differ from those expressed in such statements, depending on a variety of factors including changes in public expectations and other changes to business conditions; the timing, quantum and nature of divestments; the receipt of relevant third-party and/or regulatory approvals; future levels of industry product supply, demand and pricing; OPEC quota restrictions; PSA effects; operational problems; economic and financial conditions generally or in various countries and regions; political stability and economic growth in relevant areas of the world; changes in laws and governmental regulations; regulatory or legal actions the impact on our reputation following the Gulf of Mexico oil spill; exchange rate fluctuations; development and use of new technology; the success or otherwise of partnering; the actions of competitors, trading partners and others; natural disasters and adverse weather conditions; changes in public expectations and other changes to business conditions; wars and acts of terrorism, cyber-attacks or sabotage; and other factors discussed under "Principal risks and uncertainties" in BP's Form 6-K for the period ended 30 June 2014 and under "Risk factors" in our Annual Report and Form 20-F 2013.