



## BP completes purchase of BHP assets in US onshore

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BP's Lower 48 business changes name to BPX Energy, marking new era of growth

HOUSTON – BP has completed the \$10.5 billion acquisition of BHP's U.S. unconventional assets in a landmark deal that will significantly upgrade BP's U.S. onshore oil and gas portfolio and help drive long-term growth.

The acquisition – which was announced in July and closed as scheduled on October 31– adds oil and gas production of 190,000 barrels of oil equivalent per day (boe/d) and 4.6 billion oil equivalent barrels (boe) of discovered resources in the liquids-rich regions of the Permian and Eagle Ford basins in Texas and in the Haynesville natural gas basin in East Texas and Louisiana.

Following integration, the transaction will be accretive to earnings, is estimated to generate more than \$350 million of annual pre-tax synergies and is expected to boost Upstream pre-tax free cash flow by \$1 billion, to \$14-15 billion in 2021.

“By every measure, this is a transformational deal for our Lower 48 business. It is an important step in our strategy of growing value in Upstream and a world-class addition to BP's global portfolio,” said Bernard Looney, BP's Upstream chief executive. “We look forward now to safely integrating these great assets into our business and are excited about the potential they have for delivering growth well into the next decade.”

BP's Lower 48 business also announced today that it is changing its name to BPX Energy. The change marks a new era of growth for BP's U.S. onshore oil and gas unit, which has operated as a separate entity since 2015 and has achieved material improvements in operational and financial performance since then.

The “BP” portion of the business's new name reflects that it remains wholly-owned by BP and a strategic business within BP's Upstream organization. The “X” stands for exploration -- both the search for new oil and gas resources as well as for new ideas and methods to fundamentally improve the business.

“We are exploring how to improve every aspect of our business,” said Dave Lawler, CEO of BPX Energy. “Our mission is to build an organization imbued with a strong, inclusive, modern culture where everyone is respected, supported, and encouraged to achieve their highest potential and career aspirations; an organization that leads the industry in the protection of people and the environment, while simultaneously creating significant value for BP's shareholders.”

“While we have more to do, we have made great progress toward our goals, while also delivering material value to BP,” said Lawler. “And I’ve never been more confident about our future.”

## About BP

BP is a global producer of oil and gas with operations in 70 countries. BP has a larger economic footprint in the U.S. than in any other nation, and it has invested more than \$100 billion here since 2005. BP employs about 14,000 people across the U.S. and supports more than 106,000 additional jobs through all its business activities. For more information on BP in America, visit [www.bp.com/us](http://www.bp.com/us).

## Notes to editors

- BP’s existing U.S. onshore oil and gas business currently produces around 315,000 boe/d from operations across seven oil and gas basins in five states with resources of 8.1 billion boe.
- The BHP acquisition will substantially increase the liquid hydrocarbon proportion of BP’s production and resources in the U.S. onshore, to around 27 percent of production and 29 percent of resources from the current 14 percent and 17 percent, respectively.
- BP’s U.S. onshore business moved into a new headquarters office in Denver last month.

## Further information

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## Cautionary statement

In order to utilize the ‘safe harbor’ provisions of the United States Private Securities Litigation Reform Act of 1995 (the ‘PSLRA’) and the general doctrine of cautionary statements, BP is providing the following cautionary statement. This press release contains certain forward-looking statements concerning BP’s plans and expectations regarding the transaction that will result in BP’s acquisition of BHP’s U.S. unconventional assets, including its effect on BP’s U.S. onshore oil and gas portfolio and long-term growth; expectations that the transaction will be accretive to earnings, generate pre-tax synergies and boost pre-tax free cash flow; plans and expectations regarding the integration of the assets into BP’s business and that the assets will deliver growth into the next decade; and plans and expectations that the transaction will substantially increase the liquid and hydrocarbon proportion of BP’s production and resources in the U.S. onshore. 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; regulatory or legal actions; 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;

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; wars and acts of terrorism, cyber-attacks or sabotage; and other factors discussed under “Principal risks and uncertainties” in the results announcement for the period ended 30 June 2018 and “Risk factors” in our Annual Report and Form 20-F 2017.

This document contains references to non-proved resources and production outlooks based on non-proved resources that the SEC's rules prohibit us from including in our filings with the SEC. U.S. investors are urged to consider closely the disclosures in our Form 20-F, SEC File No. 1-06262. This form is available on our website at [www.bp.com](http://www.bp.com). You can also obtain this form from the SEC by calling 1-800-SEC-0330 or by logging on to their website at [www.sec.gov](http://www.sec.gov).