
Baring Vostok increase stake in Volga Gas

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Interfax reported that Baring Vostok Capital Partners bought about two thirds of the supplementary shares offered by Volga Gas boosting its stake to 58.66% from 54.8% previously.

Volga Gas, which has oil and gas assets in Russia, placed 27 million new shares at USD 1 each on July 7th. Two Baring Vostok funds acquired 17.9 million shares and Volga Gas executives purchased about 430,000. Volga Gas General Director Mr Mikhail Ivanov bought 258,000 shares boosting his stake to 1.23%.

Volga Gas said the other buyers will be disclosed later.

Volga Gas announced in June it would place 27 million new shares for USD 1 each among existing shareholders. The proceeds from the sale will go to drilling the Grafovskaya-1 well at the Yuzhno-Yershovskoye field part of the Karpensky section in Saratov region. Drilling is scheduled to begin in the third quarter.

The resource at Yuzhno-Yershovskoye is estimated at 56 billion cubic meters of C3 gas reserves and 63.6 million barrels of C3 condensate.

Volga Gas is exploring the Vostochno-Makarovsky section in Volgograd region as well as the Karpensky and Prikaspiisky sections in Saratov region, with proven reserves totaling 2.1 billion cubic meters of gas and 3.886 million barrels of condensate. Volga Gas also holds the license to the Urozhaiy-2 oil and gas section in Saratov region. That section includes one known field Sobolevskoye with 0.8 million barrels of C1 oil reserves and 49 million barrels of D1 oil equivalent.

(Sourced from Interfax)

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