
Mr Ramirez calls for probe into Chevron award

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BNamericas reported that Mr Rafael Ramírez Venezuelan energy and mines minister and president of state oil company PDVSA has called for an investigation into the 1995 award of the Boscán field in Venezuela to US oil major Chevron.

Mr Ramírez said that "In the 1990's, the Boscán field in Zulia state was awarded without a formal tender process. They thought it was a marginal field, but it's now producing more than 100,000 barrels per day."

Chevron's operating licensee for the field was nationalized in 2006 and converted into state controlled JV PDVSA has a 60% stake in the JV and Chevron holds 39.2%. Chevron has been one of few international oil majors that have maintained stakes in the country after PDVSA nationalized the country's oil industry.

An industry source said that "PDVSA is clearly just looking for a way to reduce the money it owes Chevron for the Boscán mixed company dividends, probably in the hundreds of millions of dollars since 2007. This is surprising given that Chevron was one of the few, if not only, companies to continue pumping oil during the PDVSA strike, and Chevron has been one of the most aggressive in committing to new investments in the country despite Chavez's anti American rhetoric."

Besides the Petroboscán JV in Venezuela, Chevron holds a 25% interest in the Petroindependiente JV that operates the LL-652 field and a 30% interest in the Petropia heavy crude JV. The company also holds a 100% stake in the offshore Cardon III natural gas exploration block and stakes in two Plataforma Deltana natural gas development blocks.

(Sourced from www.bnamericas.com)

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