

Aspects of Plains Exploration's Acquisition of Pogo Producing

Background

On July 18, 2007, the *Wall Street Journal* (WSJ) reported that Plains Exploration & Production Company had agreed to acquire Pogo Producing Company (* insert link) for \$3.42 billion in cash and stock.

The WSJ stated "Plains Exploration Chief Executive James Flores said the acquisition will nearly double his company's estimated-reserve potential ... [and] would provide Plains Exploration with 'substantial producing properties and significant growth potential' in Texas, primarily the Panhandle, Permian and Gulf Coast, ... Wyoming and ... New Mexico."

Currently, all of Plains Exploration operations are located in the United States. Pogo Producing has production in the United States and Canada, and also owns undeveloped acreage in New Zealand and Vietnam.

The following table provides company-level data from various public sources to inform discussions of Plains Exploration's Acquisition of Pogo Producing. This data presentation is similar to data presentations that have been previously requested from EIA for other significant energy company mergers and/or corporate alliances.

Plains Exploration - Pogo Producing U.S. Crude Oil and Natural Gas Reserves and Production, 2006							
	Plains Exploration	Pogo Producing	Plains/ Pogo Total	U.S. Total	Share of U.S. Total		
					Plains Exploration	Pogo Producing	Plains/ Pogo Total
Oil and Natural Gas Liquids	(million barrels)				(percent)		
Production	19.0	6.5	25.4	2,507.9	0.8	0.3	1.0
Reserves	333.2	98.7	431.9	29,900.0	1.1	0.3	1.4
Dry Natural Gas	(billion cubic feet)				(percent)		
Production	20.6	73.5	94.2	18,508.6	0.1	0.4	0.5
Reserves	110.9	914.7	1025.6	209,150.0	0.1	0.4	0.5

Note: Reserves are at year-end.

Sources: Company information: Plains Exploration & Production Company, 2006 report to the Securities and Exchange Commission on Form 10-K (February 27, 2007); Pogo Producing Company, 2006 report to the Securities and Exchange Commission on Form 10-K (March 2, 2007); and U.S. totals: BP p.l.c., BP Statistical Review of World Energy 2007 (June 2007), pp. 6, 8, 22, and 24 (Natural gas production is converted from cubic meters to cubic feet at the rate of 35.315 cubic feet per cubic meter).