

Medanito enters Cuyo with CHASA acquisition

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Estudio Beccar Varela has helped Argentine energy company Medanito buy oil and gas exploration business Chañares Herrados Empresa de Trabajos Petroleros (CHASA).

CHASA was advised by Estudio Palacios Hardy in the 13 June transaction. Some of its shareholders received counsel from Estudio Pérez Hualde.

Although the deal's value has been kept confidential, media reports have estimated it is worth around US\$84 million. The transaction saw Medanito buy a 52 per cent stake in CHASA, while its parent company, Exmed, bought the remaining 48 per cent.

CHASA will now operate as a subsidiary of Medanito, meaning Medanito, which primarily focuses on the Neuquén basin, will now have access to the oil reserves of the Cuyo basin, where CHASA holds a concession agreement. It signed an agreement back in 2012 to exploit Neuquén province's oil and shale gas resources alongside Shell in a US\$50 million deal, turning to Baker & McKenzie (Argentina) in the negotiations.

The International Financial Corporation (IFC) invested US\$45 million in Medanito in 2011 to support the expansion initiatives of the family-run company, buying an equity stake in the process.

CHASA owns a 210 square kilometre portion of the Cuyo basin, which it was awarded for a 25-year term back in 1992. It was recently granted a 10-year extension of the contract.

Counsel to Medanito

In-house counsel – Ignacio Varela, Martín Mendoza and Fernando Esteban Carosio

Estudio Beccar Varela

Partners Roberto Fortunati and Agustín Waisman, and associates María Carolina Crespo and Matías Borderes

Counsel to CHASA

Estudio Palacios Hardy

Partners Gerardo Palacios Hardy and Diego Palacios Hardy

Estudio Pérez Hualde

Partner Fernando Pérez Hualde

Comments

There are currently no comments.
