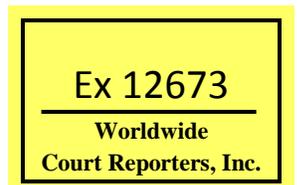


**BP Exploration and Production, Inc**  
**Consolidated Financial Statements**

**3Q11**

**(Un-Audited)**



<b>IFRS</b>	<b>BP Exp&amp;Prod</b>	<b>BP Exp&amp;Prod</b>	<b>BP Exp&amp;Prod</b>
<b>Un-Audited Financial Statement</b>	<b>Consolidated</b>	<b>Consolidated</b>	<b>Consolidated</b>
	<b>3Q11</b>	<b>2Q11</b>	<b>3Q11 Change</b>
Sales and Other Operating Rev	(\$7,549)	(\$5,309)	(\$2,239)
Interest and Other Revenues	(\$2)	(\$1)	(\$1)
Profit on Sale or Termination	(\$1)	(\$0)	(\$0)
<b>TOTAL REVENUES AND OTHER INCOME</b>	<b>(\$7,551)</b>	<b>(\$5,311)</b>	<b>(\$2,241)</b>
Purchases	\$1,784	\$1,149	\$635
Production and Other Operating Expense	\$1,840	\$702	\$1,138
Exploration Expense	\$105	\$82	\$23
Depreciation	\$1,057	\$761	\$296
Exploration Write-Off	\$436	\$424	\$12
Impairment	\$356	\$324	\$32
Loss on Sale or Termination	\$14	(\$24)	\$38
<b>EXPENSE</b>	<b>\$5,593</b>	<b>\$3,418</b>	<b>\$2,175</b>
<b>PROFIT/LOSS BEFORE INTEREST AND TAX</b>	<b>(\$1,959)</b>	<b>(\$1,893)</b>	<b>(\$66)</b>
Finance Costs	\$103	\$67	\$36
Current Tax	(\$460)	(\$50)	(\$410)
Deferred Tax	\$1,095	\$608	\$487
<b>PROFIT/LOSS</b>	<b>(\$1,220)</b>	<b>(\$1,268)</b>	<b>\$47</b>
Decommissioning Asset	\$2,269	\$2,240	\$29
Property, Plant and Equipment	\$11,366	\$11,270	\$96
Exploration Assets	\$2,915	\$2,781	\$134
Investments	\$0	(\$0)	\$0
Non-Current Receivables/Prepayments	\$2,275	\$2,664	(\$389)
<b>NON-CURRENT ASSETS</b>	<b>\$18,825</b>	<b>\$18,955</b>	<b>(\$130)</b>
Cash	(\$28)	(\$23)	(\$5)
Inventory	\$172	\$158	\$13
Current Receivables	\$5,973	\$7,578	(\$1,605)
Current Group Receivables	\$2,731	\$2,562	\$168
Current Prepayments/Accrued Income	\$143	\$175	(\$33)
<b>CURRENT ASSETS</b>	<b>\$8,990</b>	<b>\$10,451</b>	<b>(\$1,461)</b>
Current Payables	(\$5,814)	(\$6,897)	\$1,082
Current Group Payables	(\$21,241)	(\$20,420)	(\$821)
Current Provisions	(\$7,474)	(\$7,642)	\$168
<b>CURRENT LIABILITIES</b>	<b>(\$34,529)</b>	<b>(\$34,958)</b>	<b>\$429</b>
Non-Current Group Payables	(\$300)	(\$300)	\$0
Non-Current Payables	(\$5,087)	(\$6,315)	\$1,228
Deferred Tax Liabilities	\$7,161	\$7,648	(\$487)
Non-Current Provisions	(\$10,164)	(\$10,536)	\$373
<b>NON-CURRENT LIABILITIES</b>	<b>(\$8,389)</b>	<b>(\$9,503)</b>	<b>\$1,114</b>
<b>NET ASSETS</b>	<b>(\$15,104)</b>	<b>(\$15,056)</b>	<b>(\$48)</b>
<b>Retained Earnings</b>	\$21,728	\$21,728	\$0
<b>Share Capital</b>	(\$5,404)	(\$5,404)	\$0
<b>Group Dividends</b>	\$0	\$0	(\$0)
<i>Balance to \$0</i>	<i>(\$0)</i>	<i>(\$0)</i>	<i>\$0</i>
<b>Provision Schedule</b>			
GCRO Environmental (incl Spill Resp)	(\$2,021)	(\$2,213)	\$192
GCRO Litigation/Claims	(\$8,159)	(\$8,656)	\$496
GCRO Other	(\$3,510)	(\$3,510)	\$0
Gom Decommissioning	(\$3,948)	(\$3,799)	(\$149)
	<b>(\$17,637)</b>	<b>(\$18,178)</b>	<b>\$540</b>

**TOTAL REVENUES AND OTHER INCOME**

Revenues and Other Income is \$2.2b for 3Q11 and \$7.5b for the first three quarters of 2011. This primarily reflects the BPXP portion of GoM business sales of crude, gas and ngl's. Of the \$7.5b in year to date revenues, \$3.5b of sales have been reflected through the Verano Holding company.

**EXPENSE**

Expenses are \$2.2b for 3Q11 and \$5.6b for the first three quarters of the year. Included in these expenses are costs for GCRO which are \$0.5b for 3Q11 and \$0.3b for the first three quarters of the year. These GCRO costs include \$(1.2)b in recoveries from Moex/Weatherford which were recorded in 2Q11. Purchases reflected in the BPEP consolidated results are primarily from BP GoM UK entities operating in the Gulf and 3<sup>rd</sup> party royalty purchases.

**NON-CURRENT ASSETS**

The 3Q11 asset movements reflect the capital additions within the GoM business partially offset with the depreciation taken in the quarter. Non-Current Receivables primarily represent the long-term portion of the GCRO reimbursement asset. The reimbursement asset equals the amount of the Trust related provision. As the long-term reimbursement asset is down \$(0.4)b for 3Q11, this would reflect the long-term portion of the Trust related provision net decline between utilization and any increase in amounts provided.

**CURRENT ASSETS**

The 3Q11 \$(1.6)b downward movement in current receivables includes the Moex/Weatherford receivables of \$1.2b that were collected in the quarter. The remaining downward movement is the current portion of the reimbursement asset related to the Trust provision (as noted above).

**CURRENT LIABILITIES**

The current payables indicate a \$1.1b reduction in 3Q11 which is the Trust payable reduction from the collected Moex/Weatherford settlement monies in the quarter that were funded to the Trust. The increase in Group payables reflects the incremental Trust funding of \$1.25b that NAFCO performed on behalf of BPEP, partially offset with overall net cash funding back to BP Corporation.

**NON-CURRENT LIABILITIES**

Non-current payables for the quarter are reduced by \$1.2b which is the reduction in the long-term portion of the Trust payable. The deferred tax asset has unwound \$(0.4)b primarily as a result of 2010 overall domestic loss (ODL) adjustments which have been pushed through GCRO. Reduction in non-current provisions primarily reflects the GCRO utilizations for the quarter, partially offset with legal cost provision increases.