

Venezuela cuts ties with ExxonMobil

by UPI

CARACAS, Venezuela -- Venezuela's state oil company said Tuesday it would suspend the sale of crude oil to U.S. oil giant Exxon Mobil amid an ongoing legal battle between the two. Venezuelan President Hugo Chavez said the company is not welcome in his country and that PDVSA, the state firm, would no longer do business with Exxon, Globovision reported online. Exxon Mobil won a court battle to freeze about \$12 billion in assets belonging to PDVSA. Last year, Venezuela took over the Exxon Mobil project in the oil-rich Orinoco Belt during its nationalization of the oil sector. While most other foreign firms accepted the terms of the nationalization, in which PDVSA assumed majority control of their projects, Exxon Mobil refused -- leading to the seizure of its stake in Orinoco.

Copyright © 2008, by United Press International. All Rights Reserved.

Venezuela cuts ties with ExxonMobil by UPI