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July 13, 2009

BP AND SOCAR SIGN MOU TO EXPLORE

NEW CASPIAN ACREAGE

BP and SOCAR (the State Oil Company of the Republic of Azerbaijan) announced today they have signed a memorandum of understanding (MOU) to jointly explore and develop the Shafag and Asiman structures in the Azerbaijan sector of the Caspian Sea.

As part of the government's plan to ensure that all of Azerbaijan's offshore waters are fully exploited this MOU gives BP the exclusive right to negotiate a production sharing agreement to explore and develop the block, which lies some 125 kilometres (78 miles) to the south east of Baku.

The MOU was signed today in London, in the presence of HE Ilham Aliyev, President of the Republic of Azerbaijan, and UK Prime Minister Gordon Brown, by Rovnag Abdullayev, President of SOCAR, and Andy Inglis, BP's Chief Executive of Exploration and Production.

The block covers an area of some 1100 square kilometres and has never been explored before. It is located in a deepwater section of about 650-800 metres with reservoir depth of about 7000 metres.

For further information please contact:

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be

signed on its behalf by the undersigned, thereunto duly authorized.

BP p.l.c.
(Registrant)

Dated: 13 July 2009

/s/ D. J. PEARL
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D. J. PEARL
Deputy Company Secretary