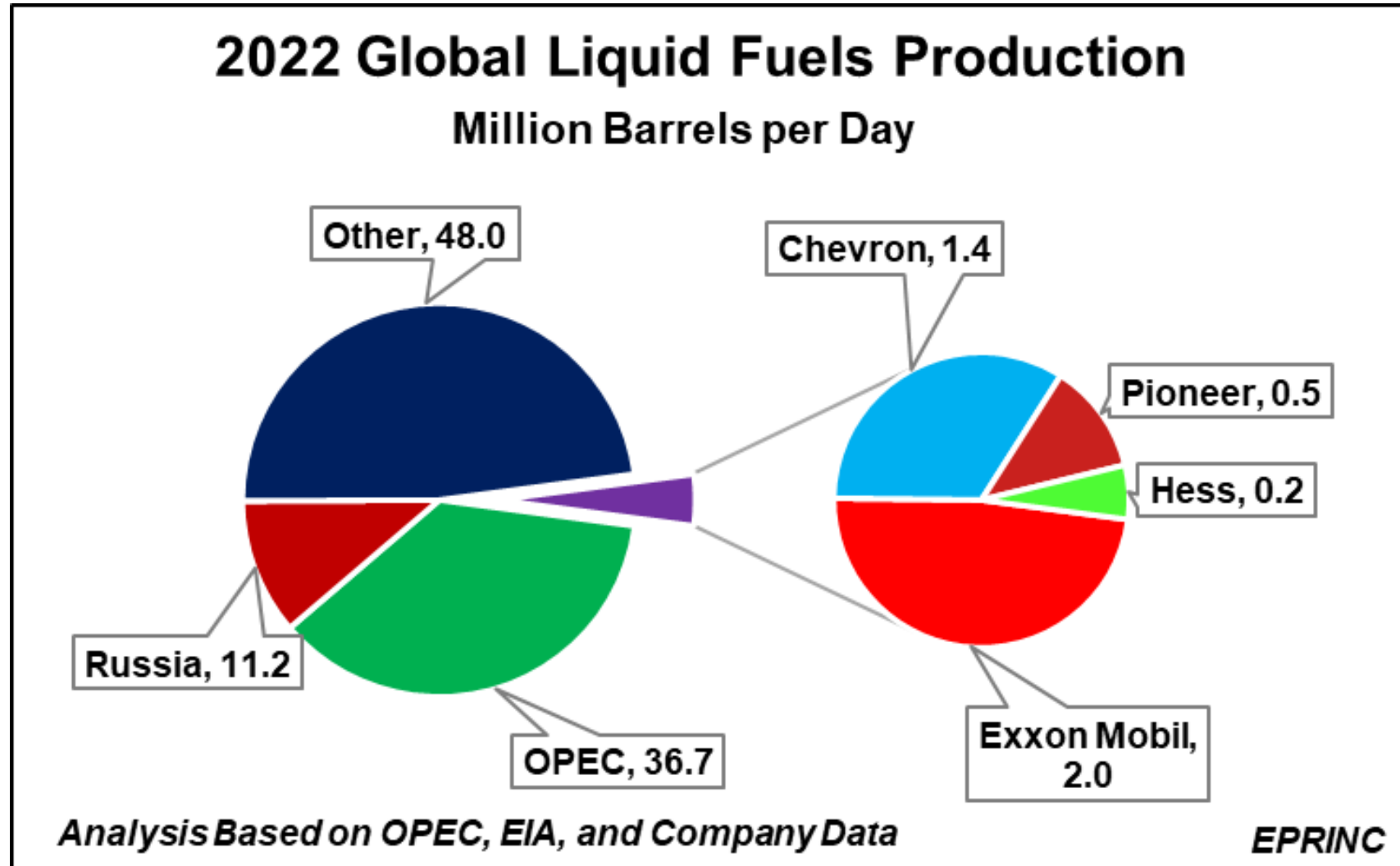


Chart of the Week #2023-47

Exxon Mobil / Pioneer and Chevron / Hess Mergers in the Context of Global Liquid Fuels Production

Max Pyziur
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Washington, DC

Exxon Mobil / Pioneer and Chevron / Hess Mergers in the Context of Global Production



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- On October 11, 2023, Exxon Mobil announced its intent to acquire Pioneer Natural Resources, a dominant crude oil producer in the Permian Basin of West Texas.
- On October 23, 2023, Chevron announced its agreement to acquire Hess Corporation, once a major refiner and distributor of petroleum products that more recently has transformed itself into a crude oil exploration and production company.
- Each of these acquisitions are valued at over \$50 billion.
- On November 1, 2023, twenty-three U.S. Democratic Senators sent a letter to the Federal Trade Commission requesting an immediate investigation into the potential anti-competitive practices and anticipated economic harm to consumers of these two mergers.
- In tandem, there have been opinions published that both challenge and support the Senators' contentions.
- Crude oil prices are set in global markets in response to supply/demand dynamics as well as adverse weather and geopolitical events, among other things.
- The combined 2022 liquids production output of the four merged companies is 4.2 million barrels per day, or 4.2% of total liquid fuels supply.
- By comparison, OPEC and Russia, control 47% of total global liquid fuels production, and in recent years, through OPEC+ have worked to manage and limit availability of fuel, thereby elevating prices.

The Democratic Senators letter, titled “ Leader Schumer Leads Nearly Two Dozen Democratic Senators In A Letter Demanding FTC Immediately Investigate Massive Exxon-Pioneer & Chevron-Hess Proposed Mergers For Anticompetitive Harms” can be found [here](#)

- This slide deck is available at: <https://eprinc.org/chart-of-the-week/>
- For more information on this chart, please contact Max Pyziur (maxp@eprinc.org).