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Exxon Mobil: XTO Contributed \$120 Million To Its 4Q Profits

HOUSTON -(Dow Jones)- Exxon Mobil Corp. ([XOM](#)) said Monday that recently acquired XTO Energy Inc. contributed about \$120 million to its fourth-quarter earnings of \$9.25 billion and about 520,000 barrels of oil to its quarterly production of about 5 million barrels of oil equivalent.

Speaking to analysts in a conference call, Exxon Mobil Vice President for Investors Relations David Rosenthal said the company's is "very pleased" with the integration of natural gas producer XTO. Excluding the effects of XTO hedges, the company's quarterly earnings contribution to Exxon's fourth-quarter profits would have been about \$36 million, Rosenthal said.

Exxon has been criticized for its \$25 billion acquisition of XTO and its large bet on natural gas, which trades cheaply in comparison to oil. Analysts are looking for signs that the XTO purchase has started significantly boosting Exxon's bottom line.

Separately, Rosenthal said Iraq's super-giant West Qurna field is producing 250,000 barrels of oil per day and output will rise to 268,000 barrels of oil a day by the end of the first half of the year. Exxon and Royal Dutch Shell (RDSA) won the right to develop the 8.7-billion-barrel West Qurna Phase One in an auction held by Iraq in 2009 for oil field development contracts.

Asked about details of the type of contracts Exxon Mobil has signed with Iraq, Rosenthal said the company expects the company's business there will allow it to book reserves.

Speaking about other projects, Rosenthal said the company has continued adding acreage to its unconventional oil and natural gas positions in North America. Exxon Mobil added 18,000 acres adjacent to its Horn River natural shale rock basin in British Columbia. The company is planning to continue increasing drilling unconventional resources this year, including oil-rich Eagle Ford Shale in Texas and Bakken Shale in North Dakota, Rosenthal said.

Exxon also plans to increase exploratory drilling for coalbed methane and unconventional gas resources in Germany and Poland and Indonesia.

Rosenthal said the company also has plans to continue divesting assets that it considers to have more value for others. The company said it sold \$1.7 billion of assets in the fourth quarter.

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