

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a yellow Greek letter alpha symbol to the right, all on a dark red background.

## Toreador Resources Corporation, Q1 2008 Earnings Call Transcript

### Question-and-Answer Session

---

**Operator**

Thank you sir. Ladies and gentleman at this time we will begin the question and answer session. (Operator instructions) The first question comes from the line of Chris Cook [ph] with Zasoff [ph]. Please go ahead.

**Chris Cook –**

Yes. Just a couple quick questions. What are your expectations for capital spending for the year and how much of your production hedged as far as prices?

**Nigel J. B. Lovett**

The first question related to capital expenditures, our budget is \$27.5 million for the year which is exclusively associated with Phase 2 development in the Black Sea. I did not get the second part of your question.

**Chris Cook – Zasoff**

Yes. How much of your annual production in '08 and even beyond have you guys hedged as far as prices?

**Nigel J. B. Lovett**

Okay. We have hedged through September what is approximately 50% of our estimated French oil production. That is actually 16,000 barrels a month and the hedge price on that is around 100.

**Chris Cook – Zasoff**

And so why wouldn't you do more than that at these prices. I realize prices have continued to go up.

**Nigel J. B. Lovett**

Yes. I think, well first of all you do not want to get into a situation where you cannot deliver the amount of oil that you have hedged. And we felt it was a reasonable balance to come up with a hedge on 50% of what we thought we would produce and float free in the market with the other 50%.

**Chris Cook – Zasoff**

All right, fair enough.

**Operator**

Thank you. Our next question comes from the line of Myron Pawn [ph] with UBS. Please go ahead.

**Myron Pawn – UBS**

Good morning Nigel.

**Nigel J. B. Lovett**

Good morning sir.

**Myron Pawn – UBS**

On the [inaudible] of the Turkey's offshore SASB properties can you tell us what percentage of that is sold and what the structure of the deal is?

**Nigel J. B. Lovett**

Well, I think first the deal is not done and it may not be done. I want to be very cautious about that. We are in negotiations but nothing is signed, set, sealed, delivered, approved or anything else. So I think at this point it will be premature for me to give you any specifics. It is still in the process of discussion, negotiation and due diligences.

Copyright © 2008 CNET Networks, Inc. All Rights Reserved.