

# HOUSTON BUSINESS JOURNAL

## Houston upstream CEO: Company to ramp up spending in next year

Apr 11, 2019, 8:44am CDT

Houston-based Fieldwood Energy LLC is going to spend more in capital expenditure in the next 12 to 18 months than it has in the past five years combined, the company's top executive said.

Fieldwood is getting ready to invest heavily as it pushes into the deep water Gulf of Mexico, said [Matt McCarroll](#), Fieldwood's president, CEO and founder. McCarroll was speaking on the panel at the BoyarMiller's April 10 Energy Breakfast Forum. Fieldwood is also about to ramp up production out of its offshore Mexico investment, McCarroll said.



Matt McCarroll, CEO of Fieldwood Energy.

These investments come despite calls from public markets for energy businesses to return free cash flow to shareholders instead of chasing more growth. Fieldwood is not a public company.

"From our standpoint, we don't have to report to the public equity markets," McCarroll said. "We can do what's right for our stakeholders."

Fieldwood is an offshore oil and gas producer backed by Riverstone Holdings.

These investments will be made with no assumption of higher oil prices in the future, McCarroll said. While he does still hope to see higher prices, McCarroll said he operates his company like a farmer.

"We have a crop, it's oil and gas. The weather impacts our business, but someone's going to buy our crop," McCarroll said. "They're going to pay whatever they're willing to pay. Hopefully, we sell it at a high enough price to make money."

The company does mitigate that risk by hedging, of course, McCarroll said. But it doesn't make bets based on expectations of higher prices because the company doesn't know that information, McCarroll said.

"If I knew that, I wouldn't be producing it, I'd be trading it," McCarroll said. "That's how we run our business."

Fieldwood came out of a Chapter 11 bankruptcy in April 2018 and immediately made a \$480 million deal picking up deep water assets.

**Joshua Mann**

Reporter

*Houston Business Journal*