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Cars queuing up during the petrol crises caused by the Suez crisis in 1956

Like many companies, Anglo-Iranian, which would later become BP, lost a lot in World War II. But like many companies, it also gained the resolve it needed to keep moving forward.

As Europe rebuilt so did Anglo-Iranian, investing in refineries in France, Germany and Italy plus new marketing efforts in Switzerland, Greece, Scandinavia and the Netherlands. BP gasoline went on sale for the first time in New Zealand.

But this fragile new stability would soon be shattered by political crises in the oil-rich Middle East, with tremors that would shake the 'Iranian' right out of Anglo-Iranian's company name.

An era ends, an era begins

William D'Arcy's hunch that the Middle East might be an overlooked gold mine for oil had transformed the region, giving previously impoverished countries new income and political influence.

But was that enough? Nationalists throughout the Middle East angrily questioned Western companies' right to profit from Middle Eastern resources. With Britain's imperial hold on the region rapidly unravelling, Anti-British sentiment escalated especially.

Among the nationalists, Iran's prime minister spoke vehemently against Anglo-Iranian's presence in Iran. In 1951 he convinced the Iranian Parliament to nationalize oil operations within the country's borders.

Women and children had already evacuated. The refinery creaked to a stop and was shut. Three months later, all political debate exhausted, the last of Anglo-Iranian's expatriate employees boarded a cruise ship and were gone.

An impasse followed. Governments around the world boycotted Iranian oil. Within 18 months, the Iranian economy was in ruins. Mobs in the streets demanded the prime minister's resignation. When the parties returned to the table, they hashed out a new arrangement allowing a consortium of companies, including Standard Oil of Indiana (Amoco) and others, to run the oil operations in Iran. Anglo-Iranian's stake was 40%.

The gentlemen's agreement between the former Shah of Persia and William D'Arcy had run its course. In 1954, the board changed the company's name to The British Petroleum Company.



New finds in some unexpected places

By the 1960s the technology of oil exploration had come a long way. It was still, however, a time-consuming and inexact science. Malta looked promising, but had nothing. Australia? Very little. Papua New Guinea? Well... no. Expeditions in Abu Dhabi, Nigeria and Libya were all more successful. The company had looked for oil in the UK for nearly 50 years without a single large discovery. Then in 1964 the United Nations extended countries' rights over territorial waters. The following year, BP found natural gas in the English Channel, enough to power a medium-sized city.

“Hardly anyone, even within BP, believed oil would be found.”

A far bigger find awaited in Alaska, where in 1968, after a decade of drilling dry wells along the North Slope, BP was on the verge of abandoning its search. The equipment was already packed up and awaiting shipment when a rival consortium made a suspiciously extravagant offer for BP's Alaska acreage along the edges of Prudhoe Bay. Atlantic Richfield (ARCO) and Humble Oil (Exxon) weren't telling, but they had struck oil in their own last-chance well in the centre of the Prudhoe Bay structure.

BP got back to the search and in 1969 tapped into its share of the largest oil reservoirs ever found on the North American continent.

Back in the UK, offshore exploration had moved dutifully from the English Channel into the North Sea, although hardly anyone, even within BP, believed oil would be found. "There won't be oil there," Sir Eric Drake, BP's chairman, told Reuters in April 1970. Six months later crews found the Forties field, which could produce 400,000 barrels of crude oil a day.