



OIL



Petrol Ofisi expands into Georgia and Iran

Date : 27.10.2007

Source : Turkish Daily News

<http://www.turkishdailynews.com.tr/article.php?newsid=87000>

Petrol Ofisi will open its first gas stations in Georgia in the coming months. The company is also expecting the process of procuring a license to build a refinery in Ceyhan to be complete in the coming weeks. Melih Türker, CEO of Petrol Ofisi, told that the firm is waiting for the outcome of its bid for oil exploration in Iran.

Petrol Ofisi's gas stations in Georgia will be located in Tbilisi and Batumi. *"Our plan for the next three years is to open 30 retail outlets in Georgia and reach a market share of 10 percent. The expansion of our business in Georgia will take place gradually,"* Türker said.

Ceyhan construction to start in 2008

In the coming weeks, Petrol Ofisi will complete the final stage of its feasibility study on building a refinery in Ceyhan, southern Turkey. *"In early October we received affirmative environmental impact assessment (EIA) report. We are now waiting for a permanent and finalized license for the refinery, from the Energy Market Regulatory Board (EPDK), which the board can submit any time in the coming weeks. On our part, all arrangements relating to the refinery are complete,"* Türker said. Work for the refinery will start in late 2008, once a final investment decision has been reached.

PO to engage in oil exploration in Iran

Petrol Ofisi plans to further expand its operations in the region around Turkey and is currently looking for new opportunities. Part of this strategy is Petrol Ofisi's plan to engage in oil exploration in Iran, where it bid for exploration in two fields.

GAS



Gazprom and Avrasya Gaz sign gas supply contract

Date : 31.10.2007

Source : Platts

<http://www.platts.com/Natural%20Gas/News/8330118.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Russia's Gazprom and Turkey's Avrasya Gaz have signed a contract to supply Turkey with 500 million cubic meters of Russian gas annually until 2021, in a deal that will further increase Gazprom's exports to Turkey, Gazprom said.

The contract, signed by Gazprom's export unit Gazprom Export and Avrasya Gaz in Ankara on Wednesday, came as Turkey's gas importer BOTAS is transferring gas trading rights to private companies, as part of the liberalization of the Turkish gas market, Gazprom said.

"Turkey is a very important partner for us. Russian gas exports to Turkey are increasing every year," Gazprom said in a statement. Gazprom plans to supply about 23 Bcm/year of natural gas to Turkey this year, up from some 20 Bcm in 2006. In 2004 and 2005 the figure was 14.5 Bcm and over 18 Bcm, respectively. Turkey is the third-largest export market for Gazprom in Europe, after Germany and Italy.



Toreador announces Batı Eskikale-1 well discovers gas

Date : 01.11.2007

Source : Oil Online

<http://www.oilonline.com/news/headlines/ephotline/20071101.Toreador.24777.asp>

Toreador announced that the Bati Eskikale-1 well discovered approximately 10 meters of net gas pay in a 37-meter thick interval from 1,454 meters to 1,491 meters. The 37-meter interval was perforated and tested, yielding a flow rate of approximately 8.8 million cubic feet of gas per day.

The Bati (West) Eskikale-1 confirms that the trend of natural gas in the deeper waters of the South Akcakoca Sub-basin (SASB) project extends to the northwest of the Akcakoca-3, and is the 14th well to successfully encounter gas in the project area. The well is located approximately 5.5 kilometers to the west-northwest of the Akcakoca-3 well.

In the Ayazli Field, the tie-in of the two Ayazli wells to the production platform and commissioning of surface equipment is progressing according to plan. However, connection to the pipeline system and start of production is delayed in order to remove extraneous equipment on the pipeline spur and adjust the subsea valve.

Combined production from the Akkaya and Dogu Ayazli platforms is approximately 17 MMCFD gross from four wells and the realized wellhead price now exceeds \$9 per thousand cubic feet. This does not represent optimum production, which will only be achieved once all three platforms are brought online. The Dogu Ayazli-2 well is currently shut-in and undergoing evaluation as production from the one zone perforated in the well has not met expectations while reservoir pressures appear to be normal. Intervention plans are being discussed with the operator.

Toreador has a 36.75% interest in the SASB project. TPAO (Turkish National Oil Company) has a 51% interest and is the operator. The remaining 12.25% is held by Stratic Energy.



Turkish firm wins \$5 billion gas deal in Uzbekistan

Date : 02.11.2007

Source : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=126125>

The Federal Group is planning to update the natural gas infrastructure of Uzbekistan, having recently signed an agreement with Uzbekistan's Gas Ministry. According to the agreement, a joint company named Federal UZ Gas will be established, with shares split between Federal Group and the Uzbek government.

Federal Group Chairman Mustafa Nurdoğan said the projects would cost over \$5 billion and that it is projected to be finished in seven years. Nurdoğan said 30 percent of the total natural gas consumed by Uzbekistan, which has a population of 27 million, was lost due to leakage. He said this could be attributed to the old technology used in natural gas delivery in Uzbekistan and added that in the first phase of their efforts they were going to transport the necessary products and equipment from Turkey but that they would eventually produce them in Uzbekistan. Nurdoğan said they were also going to build 1,000 LPG stations and install LPG conversion kits to allow vehicles to use LPG instead of regular fuel.



Crude drops after hitting \$96 overnight on profit-taking

Date : 02.11.2007

Source : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=126130>

Crude oil prices shot higher and then retreated sharply Thursday, reaching a new record of \$96 before concerns about the US economy motivated investors to cash in some of their recent gains. Light, sweet crude for December delivery fell to \$93.29 a barrel on the NY Mercantile Exchange after rising as high as \$96.24.

Crude prices are within the range of inflation-adjusted highs set in early 1980. Depending on the how the adjustment is calculated, \$38 a barrel then would be worth \$96 to \$103 or more today. Other NYMEX petroleum futures also fell. December gasoline dropped 0.53 cent to \$2.3317 a gallon, while December heating oil fell 2.65 cents to \$2.5028 a gallon. December natural gas rose 4.2 cents to \$8.372 cents per 1,000 cubic feet. In London, December Brent crude futures fell \$1.45 to \$89.18 a barrel.

GAS



Turkey and Iran to sign energy agreement on November 7

Date : 30.10.2007

Source : Turkish Daily News

<http://www.turkishdailynews.com.tr/article.php?newsid=87213>

Turkey and Iran are expected to sign a preliminary agreement on the establishment of electric transmission lines on November 7 in Ankara, it was reported. Turkish Energy Minister M.Hilmi Güler will sign the agreement with his Iranian counterpart, Habibollah Bitaraf. Turkish and Iranian officials agreed in August that Turkey will purchase 3-6 kwh of electrical energy from Iran.

GAS



Borusan to help build US gas pipeline

Date : 02.11.2007

Source : Turkish Daily News

<http://www.turkishdailynews.com.tr/article.php?newsid=87506>

Borusan Mannesmann Boru, the leading Turkish steel producer, won a \$170 million tender from Elba Express to build a natural gas pipeline in the southeastern U.S. Borusan will build 312 kilometer pipeline for Elba, the Istanbul-based company said in a statement. The project will be the largest of Borusan Mannesmann Boru to date.

OIL



Turkey to forge ahead on energy projects in Sudan

Date : 30.10.2007

Source : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=125849>

State Minister Kürşad Tüzmen has said Turkey wants to make important investments and continue with infrastructure, superstructure and energy projects in Sudan. Speaking on Monday in Khartoum, Tüzmen emphasized Sudan needed investments in the areas of refinery, railway, motorway and energy infrastructure.

Venezuelan oil minister: OPEC should not increase production



Date : 01.11.2007

Source : Platts

<http://www.platts.com/Oil/News/6559890.xml?p=Oil/News&sub=Oil>

Venezuelan oil minister Rafael Ramirez said the global oil market has enough supply and cited geopolitical tensions as the main factor driving world oil benchmarks to record highs. *“What I can tell you about oil prices is that they are so high not because of reasons [attributable] to OPEC. We see there is ample supply in the markets,”* Ramirez told. *“You need to consider the increased geopolitical tensions in the Middle East.”*

Syria raised gas prices



Date : 02.11.2007

Source : Turkish Daily News

<http://www.turkishdailynews.com.tr/article.php?enewsid=87547>

Syria raised gasoline prices yesterday by 20 percent, a state-run newspaper said, as the Arab state faced a decrease in oil production while oil rose to a record above \$96 a barrel on world markets. The price of gasoline was raised to 36 Syrian pounds (74 cents) a liter from 30 pounds (60 cents), Syria's official newspaper Al-Thawra reported.

This price is still low compared to world prices, as the Syrian government subsidizes fuel and other vital commodities. The Syrian government expects 2008 subsidies will cost it some 350 billion Syrian pounds (\$7 billion), or about 19 percent of the gross domestic product.

The last time Syria raised gasoline prices was in Jan. 2006, when they were raised by 25 percent, to 30 Syrian pounds (60 cents) a liter. At the time, Damascus said the measure was to counter fuel smuggling to neighboring countries where fuel prices are double. Syria's oil revenues have fallen in line with the decline in output, from 600,000 barrels per day in the mid 1990s to 350,000 barrels a day at present.

+ **OPEC Bulletin (September – October 2007)**

Source : OPEC
 Weblink : <http://www.opec.org/library/OPEC%20Bulletin/2007/OB09-102007.htm>

+ **World Energy Congress**

Date : November 11 – 15, 2007
 Place : Rome – Italy
 Website : www.rome2007.it
 Contact : Erica La Venuta (+06 420 45423)



+ **Mangystau Oil & Gas 2007**

Date : November 7 – 9, 2007
 Place : Aktau – Kazakhstan
 Website : <http://www.mangystau.oil-gas.kz/en/2007/>
 Contact : Aelita Turtaeva (+7 3272 583447 / 34)



+ **TIOGE 2007 (Turkmenistan Oil & Gas Conference)**

Date : November 14 – 15, 2007
 Place : Ashgabat – Turkmenistan
 Website : www.tioge.com
 Contact : ITE Group Plc. Turkey (212 – 291 83 10)



+ **Creating Value in European Oil Storage**

Date : November 26 – 27, 2007
 Place : Budapest – Hungary
 Website : <http://www.platts.com/Events/pc779/>
 Contact : Sophie Adams (+44 (0) 20 7176 66 58)

