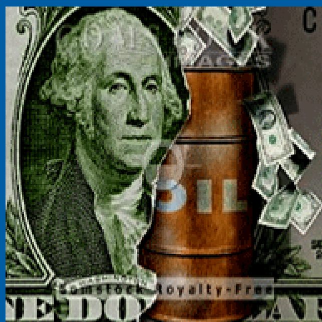
PETFORM
OIL & GAS BULLETIN
02.04.2010

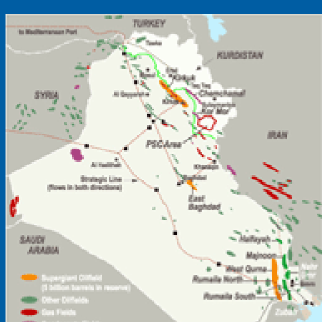


Turkey's natural gas imports total $9.9 billlion in 2009

Date : 30.03.2010
Source: Hürriyet Daily News (AA)
http://www.hurriyetdailynews.com/n.php?n=turkeys-natural-gas-cost-9.9-billlion-2010-03-30

Turkey paid $9.9 billion for natural gas and $6.4 billion for crude oil imported last year, according to Taner Yildiz, Turkish Minister of Energy and Natural Resources.

Yildiz answered a motion with a question filed by Sirnak Deputy on Turkey's natural gas and crude oil imports in 2009. In a written response, Yildiz said based on figures of the Turkish Statistical Institute (TurkStat), the Republic of Turkey paid $9.9 billion for natural gas imports, $1.6 billion for imports of other petroleum gases, $6.4 billion for imports of crude oil and $8.5 billion for imports of oil products last year.

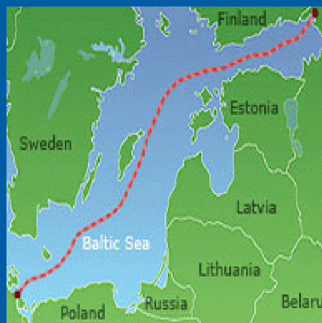


Majnoon oil field to pump 175,000 boepd in 2012

Date : 29.03.2010
Source: Rigzone (Dow Jones)
http://www.rigzone.com/news/article.asp?a_id=90187

Shell expects to pump as much as 175,000 barrels of oil equivalent per day in 2012 from the massive Majnoon oil field in Iraq, a senior company executive said.

The Dutch oil major anticipates that the field's production will reach this level ahead of its seven-year target of 1.8 million barrels per day, the report said. "*The contract has two milestones. One of them is 175,000 barrels [of oil equivalent] per day, and 2012 is the Shell aspiration for that,*" Mounir Bouaziz, Shell vice president for new business in the Middle East and North Africa, at an industry event in Abu Dhabi. Before advancing plans to develop and sell natural gas in Iraq, Shell is waiting on a new Iraqi administration, Bouaziz, said.



Nord Stream construction begins next week

Date : 31.03.2010
Source: UPI
http://www.upi.com/Science_News/Resource-Wars/2010/03/31/Nord-Stream-construction-begins-next-week/UPI-27061270041494/

Construction of the Nord Stream natural gas pipeline through the Baltic Sea is to start the first full week in April, Sebastian Sass, the head of the Nord Stream's EU representation, said.

Russia aims to diversify its gas transit options through the dual Nord Stream pipeline through the Baltic Sea to Germany. The project cleared a series of environmental and regulatory hurdles in 2009 and early this year, paving the way for the start of construction. *"Next week we expect the construction to start, meaning we are talking thereabout putting the first pieces of pipe on the seabed,"* Sass said.

The consortium managing the project, led by Russian energy giant Gazprom, was awarded $5.2 billion from 26 banks and guarantees from credit agencies in March to start building the natural gas pipeline. The project through its dual pipelines will carry 1.9 trillion cubic feet of gas each year. Nord Stream begins laying pipe in Swedish waters of the Baltic Sea about 400 miles from the starting point for the pipeline in Vyborg, Russia. The first leg of the pipeline will be finished in 2011.

Naftogaz to foot March gas bill

Date : 31.03.2010
Source: Upstream Online
http://www.upstreamonline.com/live/article210778.ece

Ukraine's energy company Naftogaz will pay for Russian gas imports in March without any financial aid from the government, Deputy Prime Minister Sergey Tigipko said. *"Naftogaz will be able to pay for gas this month with its own funds"* Tigipko told.

Prime Minister Mykola Azarov said this month that the government would not give financial aid to Naftogaz -the exclusive importer of Russian gas- for payments for gas supplies as of April. Azarov put the March bill for Russian gas imports at $700 million.

Yeliseyev: Ukraine's gas transit system not for sale

Date : 02.04.2010
Source: EurActiv
http://www.euractiv.com/en/east-mediterranean/ukraine-s-gas-transit-system-not-sale-says-deputy-minister-news-403299?utm_source=EurActiv+Newsletter&utm_campaign=7564948bac-my_google_analytics_key&utm_medium=email

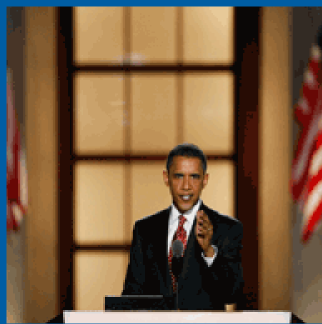
Ukraine's gas transit system will not be sold to Gazprom in exchange for lower gas prices, Ukrainian deputy minister for foreign affairs, told.

Kostyantyn Yeliseyev said that despite the need for modernisation, Ukraine's gas transport system is not for sale and will remain the property of the state regardless of future dealings with the EU or Russia. The deputy minister also stated that Ukraine is in discussions with Russia over possible new agreements on gas prices, delivery and security of supply particularly concerning transport via Ukrainian territory to European consumers. *''Nothing is for sale in Ukraine, whatever we do, whether with the EU or the Russian Federation, it will not be at the expense of the national interests of Ukraine,''* said Yeliseyev.

Recognising the importance of Ukraine's gas transit system to the EU, he stressed that it would not be taken over by Russian energy giant Gazprom. *''Ukraine is the only state besides Russia in the territory of the former Soviet Union that still owns its gas transit system: all other systems are in the hands of Gazprom,''* he added. However, he recognised the need for external investment to modernise parts of the system and said that Ukraine is considering its options in line with the joint EU-Ukraine declaration of March 2009. *"If we will declare that every part is our property and nobody can be involved, then our gas transport system will become outdated. We need business projects so let's look at what we can do,"* he said.

Yeliseyev stated that joining the EU is and will remain the ''main priority' for Ukraine. *''European integration is our way to implement deep and comprehensive social and economic reforms. We would like to modernise our country in line with European standards and values,''* he affirmed.

The deputy minister criticised the previous regime for attempting to set a clear date for EU membership and said the new government will concentrate on implementing socio-economic reforms and fulfilling the Copenhagen accession criteria. He also condemned the EU's visa requirement process for Ukrainian citizens, calling it a 'visa Berlin Wall' and even going as far as likening the procedures in European consulates to those in communist Russia.



Recharging debate, Obama expands offshore drilling

Date : 01.04.2010
Source: Yahoo News (AP)
http://news.yahoo.com/s/ap/20100401/ap_on_bi_ge/us_obama_drilling

US President Barack Obama threw open a huge swath of East Coast waters and other protected areas in Alaska and the Gulf of Mexico to drilling Wednesday.

Obama's move allows drilling from Delaware to central Florida, plus the northern waters of Alaska, and exploration could begin 50 miles off the coast of Virginia by 2012. He also wants Congress to lift a drilling ban in the oil-rich eastern Gulf of Mexico, 125 miles from Florida beaches. *"The answer is not drilling everywhere all the time,"* Obama said in an event at Andrews Air Force Base. *"But the answer is not, also, for us to ignore the fact that we are going to need vital energy sources to maintain our economic growth and our security."*

George W. Bush pushed for years to expand offshore drilling. He and Congress lifted bans on some drilling in 2008, when gasoline prices hit record levels. But Obama's plan is narrower than Bush's, which also would have opened up oil and gas leasing areas off California and in the North Atlantic.

As part of his oil announcement, Obama said his government would release new requirements requiring automakers to build more fuel-efficient cars and trucks. The standards include first-ever rules on vehicle greenhouse gas emissions, which have been blamed for global warming.

$25 trillion investment needed by 2030

Date : 02.04.2010
Source: Today's Zaman (AP)
http://www.todayszaman.com/tz-web/news-206099-energy-ministers-25-trillion-investment-needed-by-2030.html

Energy ministers gathered at an international forum Wednesday estimated the world will have to invest $25 trillion over the next two decades to satisfy energy demand.

"The projected global investment needs to amount to over $25 trillion up to 2030, a huge challenge in a time of unprecedented uncertainty and volatility," according to a statement from the 12th International Energy. The head of the OPEC said member countries of his bloc may need to invest between $70 billion and $170 billion in oil output by 2013. But OPEC Secretary General Abdalla Salem El Badri said there is an 'uncertainty gap' about how much investment will be needed based on economic recovery demand. He added that investments of OPEC nations could reach as much as $250 billion by 2020. El Badri has praised current oil prices, which have remained relatively stable between $70 and $80 a barrel.

BP awards 3 drilling deals for Iraq's Rumaila field

Date : 30.03.2010
Source: Rigzone
http://www.rigzone.com/news/article.asp?a_id=90253

BP, along with Iraq's state-run South Oil Co., has awarded three deals valued at least $500 million to drill 49 wells as part of the program to develop Iraq's largest producing oil field, Rumaila.

The winning companies are Weatherford International, Schlumberger in partnership with the state-run Iraqi Drilling Co., and China's Daqing Oil Field Co., the head of the Iraqi Oil Ministry's petroleum contacts and licensing directorate, Abdul Mahdy al-Ameedi said. Weatherford will drill seven wells while the other two companies will drill 21 wells each, on a turn-key basis, he added.

BP and China National Petroleum Corp. that both signed with Baghdad a 20-year technical service contract in November are planning to increase production from the field by 160,000 barrels a day by the end of this year or early next year, Ameedi said.

The field, in southern Iraq, is currently producing 1.07 million barrels of oil a day. The BP-led consortium has pledged to almost triple production at the field to 2.85 million barrels a day. Under the deal, BP holds a 38% stake in the venture, while CNPC has 37% and Iraq's South Oil Co. the remaining 25%. The three contractors will receive a fixed fee of $2 for each additional barrel of oil produced from Rumaila. The Rumaila deal is one of 10 signed with international oil companies late last year and early this year in a bid to revamp the country's war-hit oil industry and quadruple the country's production of 2.5 million barrels a day.

ExxonMobil CEO sees European shale's potential

Date : 31.03.2010
Source: Rigzone
http://www.rigzone.com/news/article.asp?a_id=90322

European gas shale formations in Europe show promise but they need to be better studied before their potential can be unleashed, Exxon Mobil Corp. Chief Executive Rex Tillerson said.

"We have to understand the shale resources better in Europe," Tillerson told. Last December, the company announced an agreement to buy shale producer XTO Energy Inc. for $31 billion, a move that would allow the Texas giant to take shale gas production to a global level. Exxon has unconventional gas acreage in Central and Eastern Europe. But Exxon and other companies seeking to exploit those reserves will likely have to find ways to operate in heavily populated areas just like in the U.S., where some of the largest shales are in urban North Texas or the Northeast. *"These are the same issues that we face in the U.S.,"* Tillerson said.

Shell sells New Zealand gas stations for $490M

Date : 28.03.2010
Source: Forbes (AP)
http://www.forbes.com/feeds/ap/2010/03/28/business-energy-eu-netherlands-shell-new-zealand_7470802.html

Royal Dutch Shell PLC is selling its century-old distribution and retail business in New Zealand, including hundreds of gas stations and a share in the country's only oil refinery, for $490 million.

The company said Monday the assets will be sold to New Zealand infrastructure investor Infratil Ltd. and the Guardians of New Zealand Superannuation, as part of its plan to reduce its exposure to refining and focus on growth markets. The base purchase price was $490 million plus an adjustment for actual net working capital in excess of $146 million at settlement date. In addition to an extensive retail network and commercial customer base, the purchase involves nationwide distribution, storage, marine and aviation assets, rights to use Shell's retail brand and the ongoing supply of Shell fuels and products.

EU CO_2 emissions fell by 11% in 2009

Date : 02.04.2010
Source: EurActiv
http://www.euractiv.com/en/climate-environment/eu-co2-emissions-drop-11-2009-news-403298?utm_source=EurActiv+Newsletter&utm_campaign=7564948bac-my_google_analytics_key&utm_medium=email

Emissions from industrial installations covered by the EU's carbon trading scheme fell by 11% in 2009, according to data published by the European Commission

Total industrial emissions amounted to 1.887 billion tonnes in 2009, according to estimates by market analyst Point Carbon. This is an 11% drop on the previous year, confirming that the recession stifled industrial production and power demand even more last year than it did in 2008, it said. The figures are based on the Commission's preliminary figures on installation-level verified emissions in the EU emissions trading scheme as well as estimations for countries that are yet to report on their emissions. Portugal, Bulgaria, Cyprus, Malta and Norway had not yet submitted their data to the EU executive.

The significant drop meant that emissions were in fact below the cap set under the EU ETS, which is designed to help the EU meet its climate change commitments. Indeed, European companies were left with surplus emission allowances worth close to 80 million tonnes of CO_2, Point Carbon said. Environmentalists have seen the impact of the economic crisis on emissions as a sign that the cap under the EU ETS is not stringent enough. As the surplus allowances can be banked and used in the next trading phase starting in 2013, they fear that the recession will continue to drag down carbon prices for years afterwards.

"This new information makes it clearer than ever that the EU must increase its climate ambitions. Caps are now sitting above emissions and we are already over halfway towards meeting the caps that have been set for 2020," said Bryony Worthington, director of climate campaign group Sandbag.

However, Kjersti Ulset, head of European carbon analysis at Point Carbon, said the emission reductions were to be expected and emissions would continue to grow next year. *"This was more or less what the market expected. I don't think there will be much of an impact on the emissions trading scheme as such,"* she said, adding that if anything, the publication of the data had brought certainty to the market. *"A lot of market participants feared very low emissions in 2009, but now they've seen the 2009 numbers and there's less uncertainty on the market,"* Ulset said. Ulset said prices of EU allowances had risen by 20 eurocents as a result.

PETFORM ANNOUNCEMENTS & REPORTS

❖ MENR Blue Book – 2009

Source : Ministry of Energy and Natural Resources
Weblink : http://www.enerji.gov.tr/yayinlar_raporlar/Mavi_Kitap_2009.pdf

❖ EMRA Petroleum Market Report – 2009

Source : Energy Market Regulatory Authority
Weblink : http://www.epdk.org.tr/yayin_rapor/petrol/2009/SektorRaporu2009.pdf

❖ EMRA's Resolution on Pricing of Domestic Crude Oil

Source : Energy Market Regulatory Authority
Weblink : http://www.epdk.org.tr/mevzuat/kurul/petrol/2480/2480.html

❖ Market Trading Mechanisms for Delivering Energy Efficiency (2010)

Source : Energy Charter
Weblink : http://www.encharter.org/fileadmin/user_upload/document/White_Certificates_2010_ENG.pdf