Oil & Gas Bulletin
► 18.05.2012

Nabucco seeks shorter way to bid for Azerbaijani natural gas

Hürriyet Daily News (Reuters), *18.05.2012*

Only weeks before Azerbaijan's expected crucial decision on the buyer of the Shah Deniz 2 field gas, Nabucco significantly reduces its project length and costs.

The Nabucco Consortium has submitted a proposal for the smaller Nabucco West version of its pipeline project to the Shah Deniz 2 group that plans to ship 16 billion cubic meters (bcm) of Azeri natural gas to Europe, the Nabucco group has said. The Nabucco West option would mean that the pipeline only begins at Turkey's western border, significantly reducing its length and cost, but leaving the transport through Turkey to another pipeline or existing infrastructure.

The original project aimed to build a 4,000 kilometer pipeline to transport over 30 bcm - around a third of Britain's annual demand - per year of gas into Europe in order to reduce its dependency on Russian imports. But its critics have long said that its cost - estimated at over $12 billion - was too high and that it would struggle to find enough gas to fill it with non-Russian supplies. The Vienna-based Nabucco Consortium has now applied to the Shah Deniz 2 group to build the smaller Nabucco West pipeline that would bring Caspian gas from the Bulgarian-Turkish border to Austria.

"We are convinced that we have submitted a competitive and comprehensive proposal to the Shah Deniz 2 Consortium, and that this proposal represents a win-win situation for our shareholders and for suppliers alike," said Reinhard Mitschek, Managing Director of Nabucco Gas Pipeline International.

The Shah Deniz 2 group is expected to announce the winning pipeline project this summer, with a final investment decision planned for 2013. "The (Nabucco West) concept foresees the construction of a 1,300 kilometer pipeline that will run from the Bulgarian/Turkish border to the Central European Gas Hub (in Austria)," the group said. "The pipeline is designed to transport gas initially from Azerbaijan and is fully scalable to meet future gas transport demand from the Caspian Region and Middle-East to the European markets."

Nabucco said that the project would benefit from the existing legal framework such as the Intergovernmental Agreement, Project Support Agreements and third party access exemptions, that have already been put in place. Nabucco's six shareholders are Austria's OMV, Germany's RWE, Hungary's MOL, Turkey's Botaş, BEH of Bulgaria and Romania's Transgaz. MOL and RWE set off a debate over the feasibility of Nabucco's original size earlier this year and threatened to leave the group. Nabucco competes with several other pipeline projects to bring the Shah Deniz 2 gas to Europe.

Turkish-Israeli ties strained again over KKTC airspace violation

Today's Zaman, *17.05.2012*

Turkey formally requested an explanation from Israel on Thursday after an announcement by the Turkish military that an Israeli plane had violated Turkish Cypriot airspace on May 14 and been chased away by Turkish fighter jets.

The incident has interrupted a relative calm in Turkish-Israeli relations following a period of high tensions over the Israeli-Palestinian conflict and a deadly Israeli raid on an international flotilla on May 31, 2010, which resulted in the killings of nine activists, including eight Turks and one Turkish American.

Turkey has expelled the Israeli envoy and cut military ties with Israel to protest Israeli refusal to apologize for the killings. Despite the lingering dispute, tension has subsided recently amid a crisis in Syria. Both Turkey and Israel say Syrian President Bashar al-Assad must leave power.

In a statement released late on Wednesday, the Turkish military said the Israeli plane violated the airspace of the Turkish Republic of Northern Cyprus (KKTC) over its territorial waters five times between 11:05 a.m. and 12:49 p.m. on May 14. It said the type of the plane could not be specified. Two 2X-F16 planes taking off from an air base in Incirlik in southern Turkey following a "scramble alert" flew to the Turkish Cypriot coast and prevented further violation of the KKTC airspace by the Israeli plane, the statement said. It is not clear why the Israeli plane was flying over the KKTC coasts, but according to speculation in the Turkish media, the plane was spying on Turkey's oil and gas exploration efforts under way in the area.

Turkey and Israel are at odds over a 2010 Israeli-Greek Cypriot deal demarcating exclusive economic zones between the countries in order to pave the way for oil and gas exploration. The Greek Cypriot government began drilling for hydrocarbon reserves in September, drawing an angry protest from Turkey which says the riches of the island belong to the Turkish Cypriots as well.

The Turkish Petroleum Company (TPAO), with a license from the KKTC government, began an onshore exploratory drilling for oil and gas in Turkish Cyprus in April, a move protested by the Greek Cypriot government. On Thursday, Turkish Cypriot Foreign Minister Hüseyin Ozgürgün warned of more tensions over hydrocarbon drilling in the eastern Mediterranean after reports that the Greek Cypriot administration is assessing international bids for hydrocarbon drilling in a second round of licensing for offshore drilling launched in February.

Ozgürgün said the TPAO has been given the license by the KKTC government to drill in some of the areas subject to the latest round of licensing by the Greek Cypriot administration. "Those who cooperate with the Greek Cypriot administration should know that they would operate in a disputed area," he said.

Full and Dogan Energy map out deal details

Hürriyet Daily News, *18.05.2012*

Full and Dogan Energy are currently working out the details of a model for the partnership they will form, causing negotiations to drag out until Sept. 30, said Timucin Yali, a Full board member, in a press conference.

Full, a gasoline retailer, had announced to the Istanbul Stock Exchange (IMKB) that it would be forming a 40-60 partnership with Doğan Energy, a subsidiary of Dogan Holding. Yali said the details of the partnership needed ironing out since each gas station under Full's umbrella is structured under a different company.

According to Turkish regulations, gasoline retailers cannot own more than 15 percent of the gas stations they distribute gasoline to. Yali said many companies had approached Full to form a 70 or 80 percent partnership or to acquire the company, but Full chose to sign an exclusivity agreement with Dogan Energy since the company was both Turkish and very liquid. "Until today we have been discussing how the model will be as opposed to the payment details. We left the payment details until the end," explained Yali. He said Full planned to operate more than 500 gas stations by 2015, capturing 10 percent of the market and being among the top four gasoline retailers. Full operates under the umbrella of Arista Holding. Arista is active in the water, food, cigarette, technology, construction, energy and tourism sectors. "By 2014 our total turnover is expected to be $5 billion, and we might then think of going public," added Yali.

Tüpras' net profits drop 6 pct

Rigzone, *10.05.2012*

Turkey's largest oil refiner Tüpras posted a first quarter loss in net profits from 306 million Turkish Liras to 288 million liras.

The company's sales, however, were up seven percent in the same period, up to 5.3 million tons from 4.9 million tons in the first quarter of 2011, according to Tüpras' announcement to the Istanbul Stock Exchange. This translates to a 35 percent increase in sales revenues from the first quarter of 2011. Revenues in the first quarter of 2011 were 7.7 billion liras and increased to 10.5 billion liras in the first quarter of 2011.

Greek Cyprus gets 15 bids for offshore gas search

Reuters, *11.05.2012*

The second foray by Cyprus into tapping offshore gas reserves received an unexpected boost on Friday when 15 companies, including international heavyweights, bid for contracts in the untapped and energy-rich east Mediterranean.

The island, which reported a natural gas discovery in December, received 15 bids for nine offshore blocks rimming the south of the island. Total, Malaysia's Petronas and Korea's Kogas were among the bidders, energy minister Neoclis Sylikiotis said.

"Our expectations were high, and I can tell you from the outset that the results of this round very much exceeded our expectations," he told reporters. Other bidders included Italy's Eni, Russia's Novatek in conjunction with Gazprom's GPB Global Resources, Vitol, Israel's Delek and Australia's Woodside Energy Holdings.

Over the past three years, there have been significant discoveries made in the eastern Mediterranean basin. Neighboring Israel has reported two major finds offshore in the sea separating it and Cyprus. Surveys suggest over 100 trillion cubic feet (tcf) of reserves could lie untapped throughout the region, a potential that has sparked investor interest but also revived decades-old border disputes. Cyprus's attempts to discover offshore reserves are challenged by Turkey, while Lebanon is in dispute with Israel over the Jewish state's discoveries.

U.S.-based Noble Energy in December reported 5-8 tcf of gas south of Cyprus. The prospect was made amid vocal opposition from Turkey, which challenges Cyprus's jurisdiction in exploring or extracting gas. Most of the interest shown by bidders was for a block lying north-east of the recently discovery, on the maritime border between Cyprus and Israel. Turkey has accused Greek Cypriot government of undermining peace talks on the ethnically split island.

Cyprus says any exploration is within its rights, and has received backing from its EU partners. Sylikiotis avoided any reference to the issue during a brief event in Nicosia attended by representatives of the bidders. "Our expectations are entwined with expectations for a new era of prosperity, progress and peace of our people, and for people in the surrounding region," he said. Based on the current schedule, a team of advisers will issue its recommendations to the island's cabinet within six months.

Turkey cuts oil imports from Iran

Today's Zaman (Reuters), *14.05.2012*

Turkey cut its crude oil imports from Iran steeply in April from unusually high levels in March but its purchases were still close to last year's average, meaning Ankara has yet to slash buying to the extent sought by Washington, data from shipping sources showed.

Turkey said on March 30 that it would cut imports of oil from Iran by 20 percent from last year's quantities, ceding to US pressure to reduce purchases. Tüpras took around 5.3 million barrels of Iranian crude in April, or around 177,000 barrels per day (bpd), according to shipping agency data from its two import terminals Tütünciftlik and Aliaga.

While Turkey has reduced imports by 100,000 bpd compared with March, this is a reduction from an unusually high month. April imports are only marginally below its 2011 average of 200,000 bpd. The volume is also higher than the 140,000 bpd April figure a Turkish industry official last week said was imported and is not yet the 20 percent cut promised by the Turkish government.

Genel Energy to increase shares in Iraqi oil

Today's Zaman, *15.05.2012*

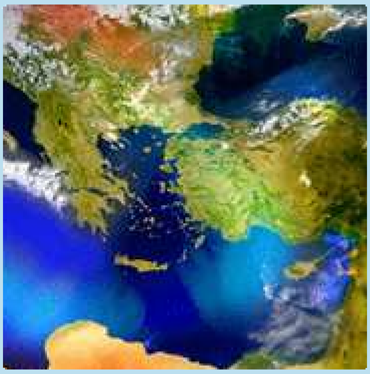
Genel Energy is intensifying efforts to secure a larger share of the exploration blocks of northern Iraq. In a statement released on Tuesday, the company announced it will acquire a 23 percent stake in the Bina Bawi exploration license.

"In a step that further builds its resource base in the Kurdish region of Iraq, Genel Energy today announced it is to acquire a 23 percent stake in the Bina Bawi exploration license. The Bina Bawi license lies alongside the producing Taq Taq oilfield. The field currently holds around 80,000 barrels of barrel capacity a day and this number is estimated to see 200,000 barrels a day," the statement read.

The company will pay $175 million for the purchase of the share capital of A&T Petroleum. "What we are acquiring is very high-quality acreage in an area immediately adjacent to Taq Taq, one of our major established fields, which we plan in due course to link by a pipeline to the region's main export pipeline from Kirkuk to Ceyhan," Genel CEO Tony Hayward said. Austrian company OMV holds a 36 percent share, US company Prime Natural Resources holds 21 percent and the Regional Government holds 20 percent in the Bina Bawi production sharing contract.

ITGI looking to ship Mediterranean gas to Italy

Reuters, *11.05.2012*



The ITGI pipeline project is looking to ship natural gas from recently discovered Israeli and Cypriot gas fields but has not given up hope on gas from Azerbaijan, chief executive said.

Elio Ruggeri, head of the Italy-Turkey-Greece-Interconnector (ITGI), said the project was not tailor-made for one supplier and was ready to transport any gas coming from the Caspian region, the Middle East or the eastern Mediterranean. The project was dealt a major blow in February when the Shah Deniz II consortium chose the Trans Adriatic Pipeline (TAP) project over ITGI as a possible route, should it decide on Italy as the destination for its Azeri gas.

"We have not given up our hope to re-engage with Shah Deniz. Obviously we acknowledge there is now a preference for TAP, but we will wait and see what will be the solution on that," Ruggeri told Reuters on the sidelines of an energy forum in Bulgaria. ITGI plans to transport 10 billion cubic meters (bcm) a year of gas from the Turkish-Greek border to Italy. "Shah Deniz is not the only source of gas in the region. Interesting opportunities are emerging also in the east Mediterranean, and ITGI is by concept a multi-source project," he said.

Producers in the Shah Deniz II field in Azerbaijan, led by BP and Statoil, plan to ship around 16 bcm a year through Turkey into Europe from 2017 or 2018. A decision on which pipeline project will get Shah Deniz II's go-ahead is expected in June. Another contender for the Azeri gas is the Nabucco pipeline project, which would transport central Asian gas into Europe via Turkey, Bulgaria, Romania and Hungary into Austria and Western Europe. But critics say the 32 bcm Nabucco project, estimated at a development cost of over $12 billion, is too expensive and too big and must downsize if it is to be chosen.

Ruggeri said the ITGI project had completed most permitting procedures and was ready to take a final investment decision by mid-2013. "Whichever supply comes first, we will look into it. In the Leviathan basin offshore Israel, near Cyprus, near Greece. All this region has significant amounts of gas reserves," he said. Texas-based Noble Energy and its Israeli exploration partner Delek have said the Leviathan field - 130 km (80 miles) off the Israeli port of Haifa - is the world's biggest deep water gas find in the past decade, with reserves estimated around 480 bcm.

That is almost five times as much as Britain, Europe's biggest gas consumer, uses per year. The Leviathan gas field is one of several large recent gas discoveries in the eastern Mediterranean basin that have the potential of shifting Europe's gas industry from the North Sea, where reserves are dwindling fast.

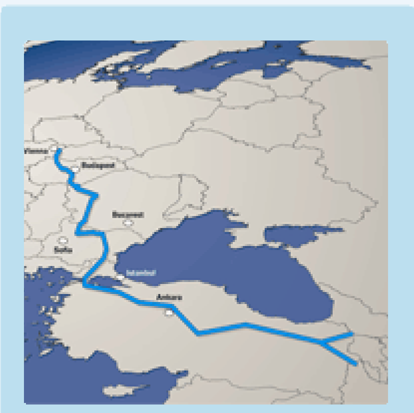
Most reserves identified so far are in Israeli or Cypriot waters, but the prospect of a gas bonanza in the region has renewed maritime border disputes between Turkey, Lebanon, Cyprus, Israel and Greece. Delek and Noble are seeking partners in their Israeli and Cypriot fields to further explore the waters in which experts also hope to find some 600 million barrels of oil hidden in a layer beneath the gas.

The main criticism of rival project TAP has been its lack of an Italian partner, with critics arguing that a pipeline making landfall in Italy would never secure political backing without local involvement. Its main shareholders are Statoil, Swiss EGL and Germany's E.ON Ruhrgas. The project plans to build a 520 km gas pipeline with a capacity of 16 bcm that would connect Greece with Italy via Albania and the Adriatic Sea.

Italian utility Enel said this month that it was interested in joining the group. TAP commercial director Lutz Landwehr said on Friday that Enel would be "a valuable partner for our project" but that there were also talks with other companies. "There are other big European companies we talk to," Landwehr said, without specifying. Landwehr said that a new partner would likely take a stake out of Statoil or EGL. "E.ON is more or less in a reasonable position, whereas EGL is probably a bit oversized in the project," Landwehr said. "Statoil has a different interest in its involvement in the project; they want to see the development of TAP happen to support their upstream investment in Shah Deniz. So they have no strategic interest in being a shareholder in the company," he added. Landwehr said that all changes in shareholdings would likely happen within the next year, before the Shah Deniz II consortium is expected to make their final investment decision.

RWE says reviews strategic requirements of Nabucco

Reuters, *12.05.2012*



RWE is reviewing strategic requirements regarding the Nabucco gas pipeline project, a spokeswoman said on Saturday, adding the company had not made a decision to exit the project.

"We continue to be convinced that Nabucco in its original shape is the best solution for all stakeholders (suppliers, customers, network operators)." In light of changing conditions through the planning of new pipeline projects, we are currently examining whether our commercial and strategic requirements concerning Nabucco continue to be preserved," the spokeswoman said.

Senior executives of RWE had signaled to policy-makers in Berlin and Brussels the company may soon exit the Nabucco consortium. The pipeline, which has been the pet project of the EU as it aims to reduce dependence on Russian gas supplies, has so far failed to sign any gas supply deals.

Kurdish export halt puts breaks on Genel's output growth

Upstream Online, *18.05.2012*

London-listed Genel Energy has reduced its production forecast for the year due to a halt on exports from the Kurdistan region of Iraq but expects increased domestic demand to enable it to maintain its projected revenues for the year.

Genel had been hoping to ramp up net production to between 55,000 and 60,000 barrels per day in 2012 but in an interim management report on Friday the company reduced its forecast to an average of 40,000 bpd. Output during the first quarter of the year had averaged 45,500 bpd, which was up 27% on the first quarter of 2011.

However, since 2 April Genel has halted a portion of output at the Taq Taq and Tawke fields, which was destined for export via the Iraqi national pipeline, after the regional government ordered a halt to exports on 1 April amid an ongoing payment dispute with Baghdad. Despite the lower production forecast the company maintained that it could still hit its previously stated revenue target of between $250 million and $300 million, driven by increased sales into the domestic market.

Genel chief executive Tony Hayward said the company had enjoyed a strong start to the year and was making good progress across all areas of the business. “Operations are performing well and we continue to build production capacity at both Taq Taq and Tawke,” he said. “We are adding proven reserves as our two producing fields are fully appraised and our high impact exploration drilling programme of seven wells remains on track. Hayward added the company was also in the process of evaluating a number of acquisition opportunities in Africa and the Middle East.

Azerbaijan aiming to be European transit hub

Natural Gas Europe, *11.05.2012*

Senior Azerbaijani Minister of Industry and Energy Natiq Aliyev has said that Azerbaijan is in the perfect position to become a transit hub for European energy. "Azerbaijan's main advantage is its diversified network of pipelines and reliable transport infrastructure, which positions the country as a key energy partner for Europe and the US," he said.

Speaking in an interview with The Business Year journal, Minister Aliyev also said Azerbaijan was on the precipice of important decisions relating to gas and other energy security, including the construction of the Trans-Anatolian pipeline.

That pipeline, which would run from Azerbaijan to Turkey, could transport up to 16 billion cubic metres of gas to Europe every year. The Trans-Anatolian pipeline (also known as TANAP or the Trans Andalou pipeline) would be the first of several pipelines to cement Azerbaijan's place as a key transit country, the minister said.

In addition to the planned pipelines in the country, Azerbaijan continues to strengthen its position in the gas market with the discovery of increasing amounts of gas. Pointing to two fields discovered in the last year, Minister Aliyev said Azerbaijan was sitting on major reserves of energy.

"The discovery of 200 billion cubic meters of reserves and 30-40 billion tons of condensate at the Umid gas field will lead to heavy production in the next three to four years, spearheaded by SOCAR's $5 billion (USD) investment," the Trend news agency reports the minister as saying. "In addition, exploration was successfully conducted at the Absheron gas field, and according to the preliminary data, there are an estimated 350 bcm of gas reserves."

These discoveries, as well as other massive discoveries including the Shah Deniz field, all add to Azerbaijan's strength in the market which continues to grow. Yesterday, President of the State Oil Company of Azerbaijan Republic (SOCAR) Rovnag Abdullayev said his company expects annual gas production to increase to up to 55 bcm a year by 2025.

Qatar buys major stake in Shell

Reuters, *11.05.2012*

Qatar is ploughing more of its commodity wealth back into the sector with the purchase of a major stake in Royal Dutch Shell, while also reportedly eyeing a chunk of Italian oil major Eni.

A Shell spokeswoman confirmed the purchase while declining to detail its size but the Middle East Economic Survey reported earlier that Qatar's sovereign wealth fund was looking at a 3-5 percent stake. If Qatar did buy 5 percent, it would be just ahead of Blackrock, which is currently Shell's biggest investor with 4.97 percent, according to Reuters data.

But British stock market rules require any party to disclose a holding of over 3 percent in a listed company so the absence of a statement from Qatar suggests its interest is below this level. The Gulf nation's massive gas supplies have made it rich, allowing it to create a sovereign wealth fund that has been buying up assets, including stakes in listed companies, around the world. "We are delighted to welcome the Qatar Investment Authority as a long term and major shareholder in Shell, and particularly given our excellent strategic relationship with the Qatari state," the spokeswoman said in an emailed statement.

Shell operates multi-billion dollar natural gas projects in Qatar. Shell's London-listed "A" shares rose 1.1 percent to trade at 20.74 euros by 14:26 p.m. British time, against a 0.4 percent rise in the STOXX Europe 600 Oil and Gas index. Eni, whose shares traded up 1.9 percent at 16.89 euros, had no comment on the MEES report that Qatar was negotiating a stake in it.

Two analysts said the Qatar fund might be interested in buying the ENI stake of around 3.4 percent that state-controlled finance company CDP could sell to help fund its acquisition of a stake in transmission operator Snam from Eni. The CDP and the Italian treasury own just over 30 percent of Eni and annulment of the group's treasury shares would increase their stakes.

A source close to the matter said a series of sovereign funds had met with CDP to discuss a possible stake in Eni. "The plan to separate Eni from Snam involving Eni's annulling treasury shares and the CDP selling the excess stake it would get is in pole position among the options on the government's agenda," the source said. Prime Minister Mario Monti had a meeting with the Emir of Qatar in Rome in April. Monti told reporters at the end of that meeting that Qatari institutions had shown interest in long-term investments in Italy. In Italy, investors must inform the market regulator Consob when they buy stakes of more than 2 percent in a listed company.

A senior executive of the Qatari fund said in April that the financial crisis had restricted investment in commodities and that he expected a supply-demand gap to emerge by 2016 or 2017. "We like commodities; we like to invest in commodities. Since 2002, the commodity price trend keeps going up," Qatar Investment Authority Executive Board Member Hussain al-Abdulla told reporters.

Qatar Holding, a unit of QIA, said last month that it had increased its stake in French oil group Total to 3 percent and is undecided on buying more shares. Qatar signed a deal in April to co-invest $250 million (155.6 million pounds) with Barclays' natural resources private equity investment unit. QIA has been the most active of the region's sovereign wealth funds in recent years, deploying profit from its natural gas riches into assets ranging from German sports car maker Porsche to British bank Barclays. The fund has also been slowly buying into London-listed miner Xstrata recently. Its current holding in Xstrata, which is planning to merge with commodities trader Glencore, is about 7.2 percent.

On Friday, the Financial Times reported Qatar's sovereign wealth fund planned to increase its Xstrata stake to at least 10 percent as part of a long-held strategy to invest in Glencore, suggesting the Gulf state could provide crucial support to the pair's $90 billion merger deal. Qatar surprised many observers by passing on the Glencore initial public offering last year as rival Abu Dhabi fund Aabar bought into the flotation.

Ukrainian PM invites Qatar to participate in LNG

Natural Gas Europe, *11.05.2012*

Ukrainian Prime Minister Mykola Azarov has said that his country has invited Qatar to participate in a planned LNG terminal in Odessa.

Following a meeting with Qatari Premier Sheikh Hamad bin Jassem al-Thani, Prime Minister Azarov confirmed that he had asked Qatar to participate in the construction of the €846 million liquefied natural gas terminal. As part of the talks, a 20-year cooperation strategy deal was also decided upon, with Ukraine saying the plans for this deal are currently underway.

"We have agreed to develop a program of strategic partnership for 20 years," Prime Minister Azarov said. "Work on the program has actually been launched. The first stone in the foundation program becomes the work of bilateral working groups on energy and agriculture in Kiev in late May." The announcement follows a statement by Prime Minister Azarov earlier in the week that Ukraine was looking to Qatar for LNG supply. "Ukraine is constantly working on the diversification of gas supplies and exploring the possibility of purchasing gas in Qatar," he told. There could be no better country to supply the gas than Qatar given its experience, he added. "We're very interested in cooperation with the state which accounts for a third of global output of liquefied natural gas."

Russia and Kazakhstan to establish JV on field development in Caspian

Rigzone, *16.05.2012*

Russia and Kazakhstan will establish a joint venture to develop Russian-Kazakh field 'Central' in the Caspian Sea in the near future, President of the Russian oil company Lukoil Vagit Alekperov said.

"Currently the joint venture is being established, and we hope that it will be registered soon and receive a license for exploration and production," Alekperov told reporters in Astana. License of the Russian company TsentrKaspneftegaz on the exploration of "Central" field on the Caspian shelf aimed at exploration and evaluation of hydrocarbon expired on October 30, 2009.

Lukoil appealed to the Russian government with a request to amend the law "On Subsoil", which would allow developing the fields, opened by the company before the amendment to the law on strategic fields on the shelf. According to these amendments, only state-owned companies have the right to develop offshore fields. However, in 2010 Russian Deputy Prime Minister Igor Sechin said the government does not intend to take away the right to develop "Central" field, resources of which amounted to 169.1 million tons of fuel, from Lukoil.

TsentrKaspneftegaz opened the field during the drilling of the first exploration and appraisal well in May 2008. Rosnedra issued Certificate on determining the discovery in November 2008. Gazprom together with Lukoil is considering the issue of a joint venture between TsentrKaspneftegaz and Kazakh KazMunaiGas in the form of a limited liability company in order to receive further rights to use subsurface under the production sharing agreement for the field "Central".

As head of Luloil Vaqit Alekperov said previously the license for the structure of the "Central" on the shelf of the Caspian Sea will be re-arranged for a joint venture between Lukoil, Gazprom and KMG. It is assumed that Lukoil and Gazprom will receive 25 percent of the venture, and KazMunaiGas - 50 percent.

Poland's PGNiG plans to float exploration units

Reuters, *11.05.2012*

Poland's gas monopoly PGNiG wants to merge its five exploration and servicing units and float them on the stock market partly to raise money to help the company's efforts in shale gas exploration.

"The growing scale of exploration for unconventional gas may increase the amount of drilling and maintenance services and thus intensify competition on this market in Poland," PGNiG said in a statement. "In this way it would be possible to privatize the companies by way of IPOs (initial public offering) and raise additional financing."

Foreign companies, that include global majors like Chevron and Exxon Mobil, have lately become active in Poland, which is keen to develop a shale gas market that would allow it to curb reliance on costly supplies from Russia. The plan from PGNiG's management board will need the approval of shareholders due to meet on June 6.

Announcements & Reports

► *EMRA Petroleum Market Report (Mar 2012)*

Source : Energy Market Regulatory Authority
Weblink : http://www.epdk.org.tr/documents/petrol/rapor_yayin/Ppd_Rapor_Yayin_Sektor_Raporu_2012_Mart.pdf

► *OPEC Monthly Oil Market Report (May 2012)*

Source : Organization of the Petroleum Exporting Countries
Weblink : http://www.opec.org/opec_web/static_files_project/media/downloads/publications/MOMR_May_2012.pdf

Upcoming Events

► *25th World Gas Conference 2012*

Date : 3 – 8 June 2012
Place : Kuala Lumpur – Malaysia
Website : www.wgc2012.com

► *Gas&Oil Expo & Conference*

Date : 11 – 13 June 2012
Place : Alberta - Canada
Website : http://www.gasandoilexpo.com/

► *CO2 Capture and Storage - Workshop* ***(in Turkey)***

Date : 13 – 14 June 2012
Place : Ankara - Turkey
Website : http://www.cgseurope.net/NewsData.aspx?IdNews=70&ViewType=Actual&IdType=478

► *Global Petroleum Show*

Date : 12 – 14 June 2012
Place : Alberta - Canada
Website : http://globalpetroleumshow.com/

► *World Heavy Oil Congress*

Date : 10 – 13 September 2012
Place : Aberdeen - Scotland
Website : http://www.worldheavyoilcongress.com/

► *Iraq Future Energy – 2012* ***(in Turkey)***

Date : 24 – 26 September 2012
Place : Istanbul – Turkey
Website : http://www.theenergyexchange.co.uk/iraq-2012-future-energy/s13/a255/

► *International Pipeline Exposition*

Date : 25 – 27 September 2012
Place : Alberta - Canada
Website : http://internationalpipelineexposition.com/

► *Gastech 2012*

Date : 8 – 11 October 2012
Place : London – UK
Website : http://www.gastech.co.uk/

► *International Sustainable Energy Congress*

Date : 31 October – 1 November 2012
Place : Alberta - Canada
Website : http://sustainableenergycongress.com/

► *European Autumn Gas Conference*

Date : 13 – 15 November 2012
Place : Paris - France
Website : http://www.theeagc.com/