



## GAS



## Turkey and Iran may sign South Pars gas deal in November

Date : 23.10.2008

Source : Rigzone (Reuters)

[http://www.rigzone.com/news/article.asp?a\\_id=68201](http://www.rigzone.com/news/article.asp?a_id=68201)

Turkey and Iran have resolved problems on planned investment in the South Pars gas field and they may sign a production accord in November, Turkish Energy Ministry sources told Reuters on Thursday.

They said Turkey was opposed to an Iranian plan to build a new pipeline to transport natural gas to Europe and that the planned Nabucco project pipeline should be used instead.

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## OMV: Iran gas should be option for Nabucco

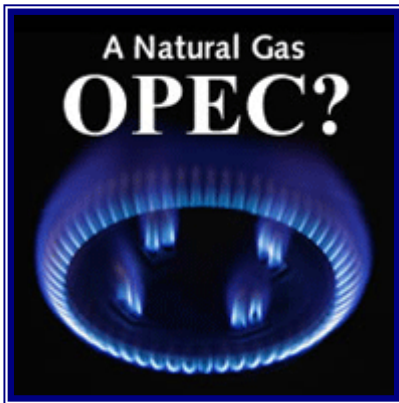
Date : 23.10.2008

Source : Turkish Daily News

<http://www.turkishdailynews.com.tr/article.php?enewsid=118248>

To build the Nabucco pipeline then say it should not transport gas from Iran, which has the second-largest gas reserves in the world, does not make sense, according to the CEO of OMV, one of the shareholders in the project.

OMV Chief Executive Wolfgang Ruttendorfer told the Reuters Central Europe Investment Summit that lining up supplies from Caspian countries, such as Azerbaijan and Turkmenistan, was a priority but Iranian gas remained a long-term supply option for the project, Reuters reported yesterday. Last month, the head of Hungarian oil and gas group MOL, another of the Nabucco partners, said the project would become a reality if Iran came on board. Ruttendorfer said Iraq was another possible supplier to the 30-bcm project.



## Iran, Russia and Qatar to form gas cartel

Date : 21.10.2008

Source : Rigzone

[http://www.rigzone.com/news/article.asp?a\\_id=68089](http://www.rigzone.com/news/article.asp?a_id=68089)

Teheran hosted a meeting of Gazprom's delegation led by Alexey Miller, Chairman of the company, Iran's delegation led by Gholamhossein Nozari, Petroleum Minister, and Qatar's delegation led by Abdullah Bin Hamad Al-Attiyah, Deputy PM.

This is the first high-profile meeting of representatives from three gas production countries, holding in aggregate some 60% of the global gas reserves. As Alexey Miller pointed out upon completion of the meeting, "We are united by the world's largest gas reserves, common strategic interests and, which is of great importance, high cooperation potential in tripartite projects. We have agreed to hold regular (three-four times a year) meetings of the 'Gas G3' to discuss the crucial issues of mutual interest with regard to the gas market development. We believe that such consultations may contribute greatly to developing the agenda for the Gas Exporting Countries Forum. We share a common vision of the Forum's objectives and tasks, as well as the need of rapidly transforming it into a permanent organization promoting steady and reliable fuel supplies around the globe."

There will be also created a Supreme Technical Committee comprised of specialists and experts from Gazprom, Iran, Qatar to discuss the implementation of actual joint projects embracing the entire value chain from geological exploration and production to transportation and joint marketing of gas. The first meeting of the tripartite Technical Committee will take place in Doha within a week.

The meeting supported the initiative for creating an international Club of Experts and Journalists specializing in the energy sector. The Club's purpose -- to facilitate the receipt by the most recognized specialists of first-hand information concerning the urgent issues of the oil and gas sector. At the forthcoming meeting of the Gas Exporting Countries Forum in Moscow other Forum participants will be offered to join the establishment of this Club, which is planned to be named the 'Energy Pole'.

Within the meeting the parties also touched upon the issues with regard to the current condition of the hydrocarbon market. As Alexey Miller underscored, "We share the opinion that oil price fluctuations don't put in question the fundamental thesis stating that the era of cheap hydrocarbons has come to an end, and the parties will proceed from this standpoint in their work."



## Trans-Balkan oil pipeline hit by delays

Date : 17.10.2008

Source : Rigzone (AFX News Limited)

[http://www.rigzone.com/news/article.asp?a\\_id=67997](http://www.rigzone.com/news/article.asp?a_id=67997)

Construction of a trans-Balkan pipeline due to carry Russian oil to Greece via Bulgaria is expected to start later than planned, in Oct. 2009 and would come onstream in 2011, a Bulgarian minister said on Friday.

After 14 years of negotiations and delays, the three countries agreed last year on building the 1.0 billion euro (\$1.35 billion) pipeline which aims to bypass the traffic-clogged Turkish Bosphorus Straits. Construction of the project, due to pump 700,000 barrels per day of Russian crude a year into the Aegean port of Alexandroupolis from the Bulgarian Black Sea port of Burgas, was previously expected to start in late 2008 or early 2009.

But Bulgarian regional development and construction minister Asen Gagauzov told Reuters that the three countries were yet to pick a bank to help them raise funding, prepare an updated feasibility study and work out the project details. "We expect to be ready to start construction around September-October 2009," Gagauzov said in an interview. "To finish the project would take about two years, which means launching the pipeline in 2011."

The Dutch-registered Burgas-Alexandroupolis project company will pick a financial consultant between Societe Generale, Lazard Ltd and Citigroup by the end of this month, the minister said. The global financial crisis and tighter credit conditions should not hinder efforts to raise funding for the project, which was initially estimated at between \$600 million and \$900 million, he said.

He said Bulgaria was open to discussing selling parts of its 24.5 percent stake in the pipeline to interested parties such as U.S. oil major Chevron and Kazakhstan's state-owned KazMunaiGas but would only do it after the project was launched to maximize its profit. The idea of selling the whole or parts of the stake was first raised several years ago but was later abandoned. Bulgaria and Greece will each have 24.5 percent of the pipeline.

Russian oil pipeline monopoly Transneft, state-controlled oil producer Rosneft and Gazprom Neft, the oil arm of gas export monopoly Gazprom, will share the 51 percent Russian stake and provide crude for the project.



## Kazakhstan: No plans to use Russia's ESPO pipeline

Date : 17.10.2008

Source : Oil & Gas Journal (Eric Watkins)

[http://www.ogj.com/display\\_article/342953/120/ARTCL/none/Trasp/1/Kazakhstan:-'No-plans-to-use-ESPO-pipeline/](http://www.ogj.com/display_article/342953/120/ARTCL/none/Trasp/1/Kazakhstan:-'No-plans-to-use-ESPO-pipeline/)

Kazakhstan has yet to show any interest in providing oil for transport along Russia's Eastern Siberia-Pacific Ocean (ESPO) pipeline. "This is a hypothetical possibility," said Kazakhstan's Energy and Mineral Resources Minister Sauat Mynbaev.

That view was echoed by KazTransOil's General Director, Nurtas Shamnov: "Today Kazakh oil producers do not have such interest since [the] ESPO is still not an export point." Shamnov said that could change if and when Russia launches the second stage of the line. The remarks by the Kazakh officials refuted claims by Russian Energy Minister Sergei Shmatko who earlier this month said that Kazakhstan is studying the possibility of transporting its oil through ESPO.

"Our Kazakh partners are looking at the project with great interest and enthusiasm. We are happy about that," Shmatko said at the launch of a section of the pipeline between Talakan and Taishet. "Their participation in the launching of the pipeline from Talakan to Taishet indicates that they are exploring the possibility of using Russia's new transportation capabilities for the transfer of Kazakh oil," Shmatko said.

In fact, international oil companies producing Kazakh crude have announced that shipments will soon begin along the BTC pipeline. The first cargo of 12,000 tonnes of crude from Kazakhstan's Tengiz field arrived in Baku earlier this week, according to industry sources. Officials said the shipment of Kazakh crude marks the launch of a long-considered plan.

"There has been a plan for a long time for a long-term arrangement to put Kazakh oil into BTC. This is the start of that process," said a spokesman for BP, which operates the BTC line. However, no details have been released officially of the volume of Tengiz crude expected to flow through the BTC line or the agreed pipeline tariff.

## OPEC cuts output by 1.5 mbpd



Date : 24.10.2008

Source : Upstream Online

<http://www.upstreamonline.com/live/article165395.ece>

Saudi Arabian Oil Minister Ali Naimi has announced that OPEC will cut its oil output by 1.5 million barrels per day with effect from 1 November, a decision the International Energy Agency has dismissed as 'unhelpful' in the current economic climate.

He said OPEC needed to see the effect of its decision on the oil market before considering any further possible cuts. Naimi said the cut will help stabilise the oil market. "The decision was straightforward," Naimi told reporters.

He hoped the decision will help alleviate economic instability but stressed OPEC should not be associated with the financial crisis. "Don't put OPEC with the financial crisis," Naimi said, adding that record high oil prices in July this year were the result of speculative trade on futures markets. He declined to be drawn on commenting on a suitable price for crude. Naimi also said OPEC could meet more frequently to review production. "We're prepared to meet more often to stabilise the market," he said, adding OPEC would do 'whatever it takes'.

## PETFORM ANNOUNCEMENTS & REPORTS

### ❖ Draft Regulation on Amendment in Natural Gas Market Licensing Regulation

Source : EMRA

Weblink : <http://www.epdk.org.tr/duyuru/dogalgaz/taslak/yonetmeliktaslak3.doc>

### ❖ OPEC Bulletin (October 2008)

Source : OPEC

Weblink : <http://www.opec.org/library/OPEC%20Bulletin/2008/pdf/OB102008.pdf>

❖ **ADIPEC 2008**

12th Abu Dhabi International Petroleum Exhibition & Conference

Date : November 3 – 6, 2008  
 Place : Abu Dhabi – UAE  
 Website : [www.adipec.com](http://www.adipec.com)  
 Contact : Ashok Pillai (+971 (0) 2 4444 909)



❖ **Mangystau Oil & Gas 2008**

3rd Regional Mangystau Oil & Gas Exhibition

Date : November 5 – 7, 2008  
 Place : Aktau – Kazakhstan  
 Website : [www.mangystau.oil-gas.kz](http://www.mangystau.oil-gas.kz)  
 Contact : Olessya Makarenko (+7 3272 583434)



❖ **World Independents Forum 2008**

12th World Independents Forum

Date : November 18, 2008  
 Place : London – UK  
 Website : [petro21.com/events/index.cfm?id=357](http://petro21.com/events/index.cfm?id=357)  
 Contact : Duncan Clarke (+31 70 324 6154)



❖ **National Oil Companies 2008**

7th Annual National Oil Companies 2008

Date : November 19 – 20, 2008  
 Place : London – UK  
 Website : [petro21.com/events/index.cfm?id=355](http://petro21.com/events/index.cfm?id=355)  
 Contact : Duncan Clarke (+31 70 324 6154)

