PETFORM
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OIL

Turkey and Colombia ink oil deal

Date : 14.02.2008
Source : Turkish Daily News (Mehmet Nayır – Referans)
http://www.turkishdailynews.com.tr/article.php?enewsid=96349

The Turkish Petroleum Corporation (TPAO) reached a deal with Colombia's national oil company Eco-Petroleum to jointly operate an oil reservoir worth $2–3 billion. The deal awaits the approval of authorities from both countries. The deal is the first concrete step in South America, said TPAO Managing Director Mehmet Uysal.

Through its affiliate Turkish Petroleum International Company (TPIC), TPAO is assessing oil exploration opportunities in Venezuela and Ecuador as well. Despite the opposition of the United States, the work in Venezuela is going very well, said Energy Ministry officials. The TPIC, which has been in contact with Venezuela for around two years, is expected to reach major oil deals there. It is stated that the works in Ecuador have been ongoing for two years, and that several partnership projects are under evaluation process.

TPAO should merge with BOTAS

In order to conduct global activities more efficiently, TPAO aims to become an integrated company, said Uysal. Within this framework, TPAO will launch fuel distribution and refinery investments. In 1983, TPAO was the 63rd largest company in the world, he added. *"The oil companies that were among the first 70 are now among the top 10. We have lost our position as the corporation was divided into state-owned Turkish Pipeline Company BOTAS, and petrochemical companies Petkim and Petrol Ofisi. We should expand our field of activity to become a larger company on the global level. Within this framework, I support the merger of TPAO and BOTAS"* Uysal said.

GAS

Iran halts gas flow again, blames cold winter

Date : 09.02.2008
Source : Today's Zaman
http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=133648

Energy and Natural Resources Minister Hilmi Güler announced yesterday Iran's decision to stop the gas flow during a meeting at the Iranian Embassy. Iran had also halted gas shipments last month and in the winter of 2006 as it faced high domestic consumption and a cut in supplies from Turkmenistan during a cold snap.

GAS

StatoilHydro and EGL to build Trans-Adriatic Pipeline

Date : 14.02.2008
Source : Oil & Gas Journal
http://www.ogj.com/display_article/320073/120/ARTCL/none/Trasp/1/StatoilHydro,-EGL-to-build-Trans-Adriatic-Pipeline/

StatoilHydro AS and Swiss company EGL Group will build the 10 billion cu m/year Trans-Adriatic Pipeline (TAP) under an accord signed on Feb. 13. The TAP gas system will to bring supplies to Europe from Turkey and Greece by 2011, depending on shipment needs.

The $2.2 billion, 520-km system will deliver gas through the Adriatic Sea. However, StatoilHydro indicated that the cost could increase depending on the time of construction, international steel prices, and other pipeline equipment-related costs. Major oil and gas projects are facing cost challenges and have been delayed because of a tight supply market and escalating production costs.

TAP will link existing Greek pipelines with southeastern Italy and facilitate a new delivery corridor from the Caspian Sea and the Middle East towards Western Europe. The partners, which have formed a 50-50 joint venture for TAP, have the option to increase the line's capacity to 20 billion cu m/year. The European Union has prioritized the pipeline -which is in the front-end engineering stage- under its Trans-European Energy Networks guidelines. The companies plan to take a final investment decision by second half 2009.

Rune Bjornson, StatoilHydro executive vice-president for natural gas, said: *"Our joining of the TAP project should be viewed as a move to offer an attractive market outlet for the Shah Deniz gas to the European market."* StatoilHydro holds a 25.5% stake in the field, which is in the Azeri part of the Caspian Sea. Recently, additional reserves were proved to support the development of a second stage of the field. EGL signed a 25-year deal last year with the National Iran Gas Export Co. to deliver 5.5 billion cu m/year of gas to Europe.

GAS

Stratic resumes gas production in Black Sea

Date : 13.02.2008
Source : Turkish Daily News
http://www.turkishdailynews.com.tr/article.php?enewsid=96251

Canada-based Stratic Energy Corporation reported that production has resumed from its Black Sea gas fields. This follows the suspension of production in late November 2007 as a result of damage to the pipeline system. Stratic's interest in the relevant licenses off Turkey's shores is 12.25 percent.

GAS

ZETA acquires 2D seismic in Northern Turkey

Date : 14.02.2008
Source : Rigzone
http://www.rigzone.com/news/article.asp?a_id=56800

On January 26 ZETA completed a 204 kilometer 2D seismic acquisition survey on the southern Duzce license (70% interest, ZETA Operated) in Northern Turkey. The survey focused on several leads identified on gravity and magnetic data analysis.

The acquired seismic data is now being processed, and a fully processed seismic data set is expected in late March 2008. The Duzce licenses are located directly onshore from the producing South Akcakoca offshore gas field held by Toreador Resources Corporation, Stratic Energy Corporation and TPAO.

GAS

EU energy coordinator to press Turkey on Nabucco

Date : 12.02.2008
Source : Turkish Daily News
http://www.turkishdailynews.com.tr/article.php?enewsid=96190

The European Union’s coordinator for natural gas projects in southern Europe is expected to visit Ankara Thursday to press the Turkish government to lend more support to the proposed Nabucco natural gas pipeline following mounting concerns over Turkey’s commitment to the project, the Financial Times reported.

Jozias van Aartsen will urge Turkish Prime Minister Recep Tayyip Erdogan to tackle some of the obstacles facing the plan. *“If they are seeking a relationship with the EU, it is one of the ways to make really clear that they do want a future relationship,”* Van Aartsen told the Financial Times over the weekend.

The EU Commission was expected to grant a key regulatory approval to Nabucco yesterday, marking a further step forward for the scheme. RWE, one of Germany’s biggest energy companies, joined the project consortium last week. However, Nabucco still raises many concerns, including the role of Turkey.

Ankara has repeatedly said it is committed to Nabucco, and BOTAS, the Turkish gas company, is a member of the project consortium. However, Turkey has failed to agree a pricing framework for the use of the pipeline, and supplies from Turkey to Greece have been interrupted recently following the loss of supplies from Iran reported the London based daily. Ankara is also resisting the entry of Gaz de France (GdF) to the Nabucco consortium for political reasons.

OIL

Tüpras reveals 2007 export numbers

Date : 13.02.2008
Source : Turkish Daily News
http://www.turkishdailynews.com.tr/article.php?enewsid=96264

Tüpras, Turkey's only oil refiner, exported 2.7 million tons of fuel oil last year, a 29 percent rise from 2006. The increase was due to lower domestic consumption, Tüpras said in a statement. The company also 'in recent days' sold 135,000 tons of fuel oil to Singapore for $58.6 million, a record shipment for the company.

OIL

Iraq to review old Russian energy deals

Date : 13.02.2008
Source : Turkish Daily News (Reuters)
http://www.turkishdailynews.com.tr/article.php?enewsid=96265

Iraq is ready to study the possibility of reviving old deals, including in the oil sector, which were signed between Russian firms and the government of Saddam Hussein, a top official said. *"We are not hiding from existing problems, such as the old contracts,"* Iraqi Foreign Minister Hoshiyar Zebari told.

On Monday Zebari and Russia's Finance Minister Alexei Kudrin agreed to write off most of Iraq's $12.9 billion debt and signed a separate deal opening up Iraq for $4 billion in investment from Russian firms, including oil major Lukoil. Lukoil hopes to revive its $3.7 billion deal to develop West Qurna, one of Iraq's largest fields. *"Doors are open to Russian companies in all areas but only on equal conditions,"* said Zebari.

Kudrin said the debt write-off became possible after Iraq agreed to sign a memorandum promising good treatment of Russian firms. The memorandum marked years of attempts by Moscow to revive Saddam-era deals since the U.S.-led invasion in 2003. Lukoil said on Monday it would be ready to start works on West Qurna within three to five years after getting all permissions from the Iraqi government. Analysts had long been skeptical about Lukoil's chances of returning to West Qurna, given the heavy U.S. influence over Iraq.

In 2004, U.S. oil major ConocoPhillips became a strategic partner in Lukoil as it took a 20 percent stake and agreed to work together with the company in Iraq in a move boosting the market sentiment about the prospects of the deal revival. Lukoil said the field can produce 600,000 barrels per day within a few years from its launch. Moscow had already forgiven Iraq the bulk of its debt under a deal with Paris Club group of creditors, under which Russia and other states agreed to forgive 80 percent of Iraq's debt following the U.S.-led invasion. The remaining $12.9 billion dated back to Soviet-era supplies of military equipment.

GAS

Russia and Ukraine leaders reach gas debt deal

Date : 13.02.2008
Source : Today's Zaman (Reuters)
http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=133921

Russian and Ukrainian leaders settled a gas debt row at last-ditch talks in the Kremlin on Tuesday. The row had sent jitters through customers in Europe, who feared it could escalate into a repeat of early 2006, when a pricing dispute between Moscow and Kiev disrupted shipments to Europe.

"We have agreed that Ukraine will on Thursday start repaying the debt which was amassed in November-December of last year because supply contracts had not been signed by the structures involved," Ukrainian President Viktor Yushchenko told a news conference. *"Gazprom is satisfied with proposals made by the Ukrainian side,"* President Vladimir Putin told the same news conference.

Russia's gas export monopoly Gazprom, which provides a quarter of Europe's gas, had threatened to cut 25 percent of its supplies to Ukraine at 1500 GMT on Tuesday if there was no deal on the debt, which Russia put at $1.5 billion. Most Russian gas exports pass across Ukrainian territory but both countries have assured Europe that westward gas flows will not be interrupted.

OIL

Venezuela halts oil supplies to Exxon Mobil

Date : 14.02.2008
Source : Today's Zaman (Reuters)
http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=134010

Venezuelan President Hugo Chavez stopped oil exports to Exxon Mobil, escalating a fight with the company two days after threatening to cut off all supplies to America. The president's retaliation for Exxon's legal offensive, which froze $12 billion in Venezuelan assets, pushed oil prices higher in late trading.

State oil company PDVSA said it broke off commercial ties and halted the supply of crude and petroleum products to America's largest company in a fight over Exxon's demand for compensation after Chavez seized a crude project last year.

"Faced with the legal-economic harassment started by Exxon Mobil against PDVSA and as an act of reciprocity, PDVSA has decided to suspend commercial relations," the Venezuelan company said in a statement. Venezuela is the No. 4 energy supplier to the United States, which is its biggest customer.

OIL

EIA: OPEC oil export revenues climbed 10% in 2007

Date : 13.02.2008
Source : Oil & Gas Journal
http://www.ogj.com/display_article/320017/120/ARTCL/none/GenIn/1/EIA:-OPEC-oil-export-revenues-climbed-10-in-2007/

Members of the Organization of Petroleum Exporting Countries earned an estimated $674.7 billion in net oil export revenues during 2007, 10% more than in 2006 when revenues totaled $612.7 billion, the US Energy Information Administration said on Feb. 12.

Saudi Arabia had the biggest share, $193.8 billion, or 29% of the 2007 total, it indicated. That was $11 million, or 6%, more than its $182.8 billion of oil export revenues in 2006. On a per capita basis, OPEC's net oil export revenues rose 8% year-to-year to $1,147 from $1,059, according to EIA. Qatar had the largest share of 2007's total, $29,235, followed by the UAE with $23,817 and Qatar with $21,619.

EIA bases its figures on estimates of countries' production and consumption in its latest short-term energy outlook and assumes that exports are sold at prevailing spot prices. When a country exports several different crude grades, EIA assumes that the proportion of total net exports represented by each grade represents its share of total domestic production.

The federal energy forecasting and analysis service predicted that OPEC's total oil export revenues could reach $863 billion in 2008 and $797 billion in 2009, based on its latest short-term energy outlook. In that forecast, EIA said it expects global oil markets to ease as production increases outside OPEC and planned capacity additions within the cartel more than offset expected moderate world demand growth.

GAS

Lukoil acquiring eight fields in Uzbekistan

Date : 08.02.2008
Source : Oil & Gas Journal
http://www.ogj.com/display_article/319649/120/ARTCL/none/GenIn/1/Lukoil-acquiring-eight-fields-in-Uzbekistan/

Lukoil Overseas, a subsidiary of Russian OAO Lukoil, plans to acquire a controlling interest in eight natural gas fields in Uzbekistan from SoyuzNefteGaz Vostok Ltd. Lukoil expects the fields to produce 3 billion cu m/year n 4 years. Gas will be exported via OAO Gazprom's pipeline network.

Development of the project will require $700 million investment total, Lukoil said. SNG Gissar Ltd. operates the contract area under a 36-year production sharing agreement signed during 2007.

OIL

IEA: Oil market could be set for slowdown

Date : 14.02.2008
Source : Turkish Daily News (Agence France-Presse)
http://www.turkishdailynews.com.tr/article.php?enewsid=96348

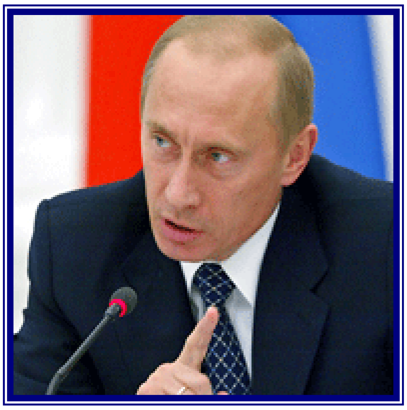
The world oil market could be set for a lengthy slowdown, the International Energy Agency said yesterday. *"Just as the demand shock of 2004 shaped the oil market for the next three years, so too could the pending slowdown,"* the IEA said in its monthly review of oil trends.

Allowing for a weather-related rebound in demand, *"the underlying trend is even weaker,"* the agency said. *"Changes are taking place in the oil market - not just to demand, but also to the supply side."* With the price now around $90 per barrel, the IEA said it had revised down demand for 2008 in the light of weaker world growth prospects, and it reported firm supplies in January.

The IEA cut its forecast for world demand for oil this year by 200,000 barrels per day, saying it expected world demand in 2008 to grow by 1.9 percent instead of 2.2 percent forecast last July. In January, world oil supply had risen by 745,000 barrels per day to 87.2 million barrels *"on new output from Brazil and recovering non-OPEC output elsewhere."*

Supplies from the OPEC had remained close to 32 million barrels per day on increased output from Angola, the United Arab Emirates, Saudi Arabia and Kuwait, but production had eased in Iraq, Nigeria and Qatar. However, OPEC's real spare capacity had risen to 2.4 million barrels per day in January.

GAS



Putin: 'Stupid' to try to bypass Russia on energy

Date : 15.02.2008
Source : Turkish Daily News (Associated Press)
http://www.turkishdailynews.com.tr/article.php?enewsid=96496

Speaking at his annual Kremlin press conference, Russian President Vladimir Putin said Europe and the United States were trying to find new routes for delivery of energy resources, and correspondingly put pressure on these countries. *"I think this is an incorrect policy, stupid, not to mention unprofessional,"* he said.

"Britain's resources are practically exhausted, Norway's are running out.... Germany has decided to gradually close its nuclear power stations and doesn't want to develop coal because of the dirt. Where can you get it?" he asked, referring to energy supplies. *"NATO is looking at questions of ensuring energy independence in a way that is obviously not friendly towards Russia. Why? Have we even once broken our obligations? No,"* Putin said.

ANNOUNCEMENTS & REPORTS

Europe's Vulnerability to Energy Crises

Source : World Energy Council
Weblink : http://www.worldenergy.org/documents/finalvulnerabilityofeurope2008.pdf

Energy Efficiency Policies around the World: Review and Evaluation

Source : World Energy Council
Weblink : http://www.worldenergy.org/documents/energyefficiency_final_online.pdf

UPCOMING EVENTS

GEO 2008
8th Middle East Geoscience Conference & Exhibition

Date : March 3 – 5, 2008
Place : Bahrain – Bahrain
Website : www.geobahrain.org
Contact : Lara Bell (+973 17 550033)

New Zealand Petroleum
2008 New Zealand Petroleum Conference: Beyond 08

Date : March 9 – 12, 2008
Place : Auckland – New Zealand
Website : www.crownminerals.govt.nz/cms/petroleum/
Contact : Ministry of Economic Development (+64 3 962 6179)

Heavy Oil Congress 2008
World Heavy Oil Congress

Date : March 10 – 12, 2008
Place : Alberta – Canada
Website : www.petroleumshow.com/worldheavyoil/
Contact : Monte Sumner (+403 209 3552)

❖ GASTECH 2008

23rd International Conference & Exhibition for the LNG, LPG and Natural Gas Industries

Date : March 10 – 13, 2008
Place : Bangkok – Thailand
Website : www.gastech.co.uk
Contact : Tony Stephenson (+44 (0) 1737 855106)

❖ Offshore Asia

Offshore Asia Conference & Exhibition

Date : March 17 – 19, 2008
Place : Kuala Lumpur – Malaysia
Website : www.offshoreasiaevent.com
Contact : Joanie Harrington (+1 918 832 9305)

❖ Oil Africa 2008

3rd Sub-Saharan Oil, Gas and Petrochem Exhibition & Conference

Date : March 17 – 19, 2008
Place : Cape Town – South Africa
Website : www.fairconsultants.com/oilafrica08.htm
Contact : Mark Burridge (+27 21 713 3360)

❖ Latin Upstream 2008

14th Annual Latin Upstream Conference

Date : March 18 – 19, 2008
Place : Rio de Janeiro – Brazil
Website : petro21.com/events/index.cfm?id=323
Contact : Duncan Clarke (+31 70 324 6154)

❖ TUROGE 2008

Turkish & Black Sea International Oil and Gas Conference

Date : March 18 – 20, 2008
Place : Ankara – Turkey
Website : www.turoge.com
Contact : Hale Corbaci (+90 212 291 83 10)