



GAS



BOTAS aims to install gas network country wide

Date : 06.03.2008

Source : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=135678>

BOTAS General Manager Saltuk Düzyol has said they are aiming to install natural gas infrastructure in all city centers across Turkey within three years. Düzyol said that oil prices and exchange rates had increased in recent years and that if this rise continues, the price natural gas is offered at may have to be adjusted.

"At this point the adjusted prices made at the beginning of the year may continue a while more," he said, but added that profitability needed to be maintained. Düzyol stressed the aim was not high profit margins but that oil prices and exchange rates affect gas prices and that BOTAS would do what it can before resorting to adjusting the price.

He also said new cities were being included into the investment program, among them the eastern cities of Diyarbakir, Batman and Siirt as well as Kilis, located on the border with Syria. Plans to extend the gas pipelines to Kilis include an extension to the Syrian border in order to integrate Egyptian gas, which will possibly be delivered to Turkey in the coming years, with the local network.

BOTAS expects natural gas consumption to increase and hit 39 billion cubic meters this year. In response to a question about recent cuts, Düzyol said gas imports from Iran were at normal levels. He said demand drops below supply as weather conditions improve. *"Supply is now higher than the demand. There are no problems now and we can weather this year,"* he clarified. Düzyol said the reliability of Iran's gas exports was reviewed and needed measures to fix problematic areas had been taken.

OIL



Oil extends records to near \$106

Date : 07.03.2008

Source : Turkish Daily News (Agence France-Presse)

<http://www.turkishdailynews.com.tr/article.php?newsid=98309>

Record-breaking oil prices spiked close to \$106 yesterday after the market was rattled by news of a small explosion in New York and following a surprise fall U.S. crude stockpiles. New York's main oil contract, light sweet crude for delivery in April hit \$105.96 per barrel, extending gains above \$105 after topping the previous record of \$104.95 set on Wednesday.



Green light for Petkim sale

Date : 04.03.2008

Source : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=135466>

The Council of State rejected a lawsuit filed by the Union of Petroleum, Chemicals and Rubber Workers (Petrol-Is) appealing a Feb. 8 Supreme Privatization Board (OYK) decision to approve the sale. The Council of State said the case was not within its jurisdiction, that the authorized privatization body was the OYK and that its duties were clearly defined in the relevant laws.

The privatization of 51 percent of Petkim through a block sale was compliant with the privatization law and the principles embodied within that law, the statement also said. After some controversy, SOCAR-Turcas-Injaz consortium, which had submitted the second highest bid in a July 5 tender for the block sale of a 51 percent state-owned stake in Petkim, won the tender with \$2.04 billion bid.



Bryza urges Ankara and Baku to solve gas row

Date : 05.03.2008

Source : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=135590>

“There is a small dispute on gas transit. It is time for Turkey and Azerbaijan to come to an agreement.” Matt Bryza, US deputy assistant secretary of state for European and Eurasian affairs, was quoted as saying to reporters in Baku by Azerbaijani media. Bryza, however, didn't elaborate on the dispute.

Washington supports construction of a planned trans-Caspian gas pipeline that will be laid on the Caspian Sea floor starting from the coast of Turkmenistan. The gas will be transported through the territory of Azerbaijan, Georgia and Turkey to world markets.

Speaking in Brussels last month, Bryza said Europe needs alternatives to overpriced Russian natural gas that enriches 'shady middlemen,' putting forward the idea of Iraq and Azerbaijan as new suppliers.

Bryza at the time said the US government strongly backs the EU-sponsored Nabucco pipeline, which aims to bring more gas to Europe from the Caspian Sea region. It could also assist Iraq in earning energy dollars and help US ally Azerbaijan.



Incremental Petroleum battles Selmo water seeps

Date : 07.03.2008

Source : Upstream Online

<http://www.upstreamonline.com/live/article150257.ece>

Incremental Petroleum is working to isolate rock fractures bringing water into a new sidetrack bore of an existing well on its Selmo oilfield in south-east Turkey. Incremental said the Selmo-41 well was drilled in 2003 by the oilfield's previous owner, but the wellbore collapsed after six months of producing about 120 bpd.

Last year Incremental drilled a sidetrack from the existing wellbore through shale deposits to the Middle Sinan dolomite. After swabbing indicated oil flows of about 50 bpd the sidetrack was drilled to total depth of 5833 feet. Final swabbing indicated flows of about 100 bpd of oil mixed with large amounts of water. Incremental said it believed the water was entering the deposit through large fractures.



OPEC keeps output steady in face of \$100, US upset

Date : 06.03.2008

Source : Today's Zaman (Reuters)

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=135682>

OPEC ministers on Wednesday agreed to keep oil output steady and said record high prices had been driven by factors that were beyond their control. "Yes, the production will not be changed," Iraqi Oil Minister Hussain al-Shahristani told reporters as he emerged from meeting.

Nigerian Minister of State for Oil Odein Ajumogobia said earlier he believed output should be kept steady, but that oil above \$100 was uncomfortable and above \$80 a barrel was high. "The OPEC official position has been anything above \$80 is on the high side," he told reporters.

Wednesday's no-change decision could still allow for quiet shifts in OPEC production. Top exporter Saudi Arabia has consistently pledged to keep the market well-supplied with oil. Saudi Arabian Oil Minister Ali al-Naimi said the kingdom had been pumping 9.2 million barrels per day (bpd) 'day in, day out,' which is roughly 300,000 bpd above its formal OPEC output target.

Washington said on Tuesday a modest OPEC output increase of 300,000 bpd to 500,000 bpd could calm prices and help to limit any economic damage. "I think it's a mistake to have your biggest customer's economy to slow down ... as a result of high energy prices," US President George W. Bush said on Tuesday.

GAS



Gas dispute resolved as Ukraine receives gas

Date : 07.03.2008

Source : Turkish Daily News (AP)

<http://www.turkishdailynews.com.tr/article.php?newsid=98270>

Gazprom said it was resuming full deliveries to Ukraine after the two countries presidents helped reach an agreement that will ease European supply concerns. The announcement came after Gazprom cut gas supplies to Ukraine in half this week, claiming it owed US\$600 million (400 million) for gas delivered this year.

The dispute freshened fears in the European Union of reductions in supplies of gas that Russia delivers across the continent via Ukraine. *“The restrictions on deliveries for Ukrainian consumers have been lifted,”* OAO Gazprom said in a joint statement with the Ukrainian gas company Naftogaz. It came after telephone negotiations involving Russian President Vladimir Putin, Ukrainian President Viktor Yushchenko and the heads of Gazprom and Naftogaz.

The statement said gas supplied to Ukraine in January and February would be paid for by Naftogaz in accordance with the arrangement that was in place as of the beginning of the year. Naftogaz spokesman Valentyn Zemlyansky said gas delivered in January and February would cost US\$179,50 per 1,000 cubic meters and that the purchases would be made through existing middleman companies. Gazprom had been asking a higher price for this year.

But another Naftogaz spokesman, Dmytro Marunich, said the deal could still allow Russia to charge Ukraine more for some of the gas if it is determined to be of Russian origin. About one-quarter of the gas imported by Ukraine is Russian; the rest comes from Central Asia in pipelines controlled by Gazprom.

OIL



Saddam-Era \$1.2b oil deal with China seen revived in April

Date : 06.03.2008

Source : Rigzone (Dow Jones)

http://www.rigzone.com/news/article.asp?a_id=57889

Iraq and China are close to wrapping up negotiations on a \$1,2 billion oil contract that was originally agreed to in 1997 under Saddam Hussein’s government. China National Petroleum Corp. signed the deal to develop the al-Ahdab oil field in the midst of U.N. sanctions that barred direct dealings with Iraq’s oil industry.

“We are expecting that the next round of discussions, due to be held in April, will finish the negotiations,” the official told The Associated Press. *“If they (CNPC) are ready to work, then they will sign the contract,”* added the official who declined to discuss his ministry’s proposals.



Azerbaijani, Turkmen gas dispute settled

Date : 06.03.2008

Source : Today's Zaman (Reuters)

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=135683>

Azerbaijan and Turkmenistan settled an old gas debt dispute. As part of the deal, Azerbaijan agreed to pay Turkmenistan a \$44.8 million debt for gas supplies delivered in the early 1990s. A Turkmen delegation led by Vice-Premier Hidayr Saparliyev was in the Azeri capital Baku on Wednesday to sign the deal.

Relations between Azerbaijan and Turkmenistan turned sour in the 1990s due to ownership disputes over several offshore oil and gas fields in the Caspian Sea as well as Azerbaijan's debts for Turkmen gas supplies. Europe, seeking alternative energy supply routes to ease its reliance on Russian gas flows, wants Turkmenistan and Azerbaijan to cooperate more on the planned Nabucco pipeline, designed to give Europe direct access to Caspian gas.

PETFORM ANNOUNCEMENTS & REPORTS

✚ Announcement on Baskent Natural Distribution Corporation

Source : EMRA

Weblink : <http://www.epdk.org.tr/duyuru/dogalgaz/acil/ihale/kizilcahamam.doc>

✚ Delivery Contracts Draft Texts

Source : BOTAS

Weblink : <http://www.botas.gov.tr/>

✚ Oil Market Insight Video

Source : OPEC

Weblink : <http://www.opec.org/home/Multimedia/videos/2008/148thMeeting/OilMarketInsight.htm>

❖ **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/oilafrika08.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)

