

SE **Energy**

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WC 2,181 words

PD 20 June 2014

ET 15:42

SN Turan Information Agency (Azerbaijan)

SC TURNAG

LA English

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SOCAR started drilling of two new **oil** wells on Banka Darvina fieldBP and its partners in Azerbaijan agreed to cooperate with UNICEF in education fieldSOCAR opened 11th petrol station on west of UkraineSOCAR's two employees killed by gas explosionDuring 5 months, 2014 Azerbaijan made \$13.4 **million** on power exportEmployees of the Kazakhstan enterprises building equipment for Kashagan went on hunger strikeHungarian President: Implementation of projects for **energy** deliveries from Turkmenistan important for EuropeHow does Iran bypass sanctions of the West for **oil** export?EU named condition of resumption of South Stream pipeline constructionUkraine promised EU to honor its commitments to transit Russian gas to EuropeBP: Iran has world biggest natural gas resources

SOCAR'S ACTIVITIES

TD

SOCAR started drilling of two new **oil** wells on Banka Darvina field

Baku/20.06.14/Turan: State **Oil Company** of Azerbaijan (SOCAR) has started drilling of two new wells on Banra Darvina field, reported SOCAR's official web site.

The well No 738 with the target depth of 940 meters is being drilled from the site No 740 and the well No 830 with the target depth of 1425 meters from the site No 720. The production rate of each well is expected to be 5 tons of **oil** a day.

The drilling is being carried out by order of Absheronneft **oil** and gas production **company** of SOCAR.

Banka Darvina field is being developed since 1950 by Absheronneft. The residual **oil** resources of the field total 3 **million** tons.—0-

PROJECTS

BP and its partners in Azerbaijan agreed to cooperate with UNICEF in education field

Baku/20.06.14/Turan: BP-Azerbaijan and its partners developing Azeri-Chirag-Guneshli bloc of fields and Shah-Deniz field as well as Baku-Tbilisi-Ceyhan **oil** pipeline and the South Caucasian pipeline have agreed to cooperate with UNICEF in the education field.

The memorandum on mutual understanding on the project partnership in education was signed yesterday between the two organizations in Baku.

UNICEF and the Ministries of Education and Emergency Situations have also signed the plan of actions on the partnership in education project.

It has been mentioned at the signing ceremony that the memorandum allows the both sides jointly with two other interested sides, including Ministries of Education and Emergency Situations, working on creation of new efficient school models. The project partnership in the education field envisages creation of a new school model for children from Kyurdamir, Ujar, Aghdash, Samukh, Geranboy, Shamkir and Tovuz regions.

The project includes four components: family education center for pre-school children, equal possibilities of education (education for children with limited possibilities at schools) and preparation to emergency situations, hygiene and sanitary.—0—

COMPANIES

SOCAR opened 11th petrol station on west of Ukraine

Baku/20.06.14/Turan: SOCAR has put into operation the petrol station in Rovensk district of Ukraine, SOCAR reported on its web site on Thursday.

The same source reported that this premium class station is the second one in Rovensk district and 11th one on the west of Ukraine.

The station sells the Euro-5 standard **oil** products made at the advanced **oil** refineries in Poland and Lithuania.

After opening of a new station SOCAR has expanded its network to 38 petrol stations, which are located in Kiev, Odessa, Lvov, Nikolayevsk, Rovensk, Cherkassk, Khmelnitzk and Poltava districts.—0—

ACCIDENTS

SOCAR's two employees killed by gas explosion

Baku/20.06.14/Turan: Two SOCAR's employees have died during the accident.

SOCAR press office reported that gas welders Zakir Aliyev, 1965, and Dmitrii Baranov, 1963, have been killed by explosion of gas, which accumulated in the well No 1249 (was liquidated in 1989) on the Gala field operated by Tagiyev **oil** and gas production plant.

The reasons of the accident are investigated, said the same source.—0—

ELECTRIC **ENERGY**

During 5 months, 2014 Azerbaijan made \$13.4 **million** on power export

Baku/20.06.14/Turan: According to the Azerbaijan State Customs Committee, from January to May 2014 the declared volume of power export totaled 289.1 **million** KWh. Power export decreased by 17.4% against the same period last year.

From January to May 2013 350.01 **million** KWh has been exported.

From January to May 2014 Azerbaijan exported power to a total amount of \$13.41 **million** against \$13.93 **million** during the same period last year (reduction by 3.7%).

According to the customs declaration, in 2013 Azerbaijan exported over 595.67 **million** KWh of power to a total amount of \$24.85 **million** against 482.7 **million** KWh to a total amount of about \$24.76 **million** in 2012.—0—

CASPIAN BASIN NEWS

Employees of the Kazakhstan enterprises building equipment for Kashagan went on hunger strike

Baku/20.06.14/Turan: The workers of Kazakhstan Tulpar **Energy** Services (TESCO) went on hunger strike in Aktau to demand payment of their salary for several months. They have gathered on the TESCO warehouse site demanding payment of wages totaling about 5 **million** tenge that accumulated since December 2013, reported Novosti-Kazakhstan news agency.

About 40 employees of the **company** have already left their jobs for this reason.

In May 2013 TESCO **company** won the bid to deliver the painted precast elements of steel constructions for buildings, pipe platforms and other structures for Australian WorleyParsons **company**.

The constructions were planned to be used for development of Kashagan **oil** and gas field, where Australian WorleyParsons is the sub-contractor of Ajip KCO **company**. Australian **company** had to pay over 800 **million** tenge for the performed works, but it has still failed to make a payment.

"We have observed all our contract obligations, but Worley Parsons has still failed to pay," said Samat Serimbetov, TESCO Director.

According to TESCO Director, TESCO has filed a suit to the economic court of the Mangistau district, which has enacted that the dispute could be settled only by the international court of arbitration in Almaty.

"We believe this court decision is illegal and ungrounded. We have requested the local Chamber of Entrepreneurs to check legality of the legal act. We will seek payment of over 200 **million** tenge and losses worth over 9 **million** tenge," added Samat Serimbetov.

TESCO Director said that he will try to repay arrears of wages to the employees from the personal funds and hopes for revision of the court decision.

Tulpar **Energy** Services LLP is among the leading companies manufacturing the containers shipped by the sea and steel constructions in Kazakhstan.—0—

Hungarian President: Implementation of projects for **energy** deliveries from Turkmenistan important for Europe

Baku/20.06.14/Turan: Hungarian President Yanosh Ader and Turkmenistan President Gurbangulu Berdymohammadov, who is on an official visit to Budapest, have discussed the issues of **energy** deliveries, diversification of their routes and **energy** safety, reads the statement of the Turkmenistan government released yesterday.

During the talks Ader mentioned that implementation of the projects in this field is of great importance for the European region.

Hungarian President has supported the position of Turkmenistan, which is ready to contribute to strengthening of Europe's **energy** safety.

Gurbangulu Berdymohammadov added that Turkmenistan sees Hungary as an important partner in the context of the dialogue with the European society. Cooperation in the **energy** field plays a special role in this process.

"During the talks we have confirmed proximity of the approaches based on the need to establish a multilateral dialogue between the countries on the issues of **energy** safety and diversification of **energy** flows, considering objective demands of the world economy," Turkmenistan state news service reported.

Turkmenistan, which is the fourth world biggest gas-rich country, studies the possibility of breaking into the European market. For this purpose it promotes the trans-Caspian gas pipeline, which will be used to transport Turkmenistan gas to Turkey and then further to Europe.—0—

How does Iran bypass sanctions of the West for **oil** export??

Baku/20.06.14/Turan: In May 2014 Iran has become the sixth country on the volume of **oil** supplies against the eighth place in April 2014, reported Reuters.

In May 2014 **purchase** of Iranian **oil** by India increased by 13.5% against April 2014 after Indian **oil company** - the biggest **oil** refinery of the country - has resumed **oil purchase** after a three-months break, claim the sources at the market. According to the graphs of tankers arrival of Thomson Reuters **Oil Analytics**, in May 2014 the country imported 255,200 barrels of Iranian **oil** a day, down 6% against 2013.

During six months 2014 import of Iranian **oil** by the Asian buyers will total 1.25-1.5 **million** barrels a day, because **China** plans to import more **oil**, than it did before the sanctions applied against Iran in 2012.

According to the agreement signed between Iran and the western countries in November 2014 in Geneva, Iranian **oil** export must not exceed 1 **million** barrels a day. However, the document says nothing about limitation of condensate export, which allows Iran exporting it abroad without violating the conditions of the agreement. US claims that exceeding **oil** export volume by Iran is within the accessible limits, because majority of **oil** delivered above the limit is the condensate purchased by **China** and Japan.—0—

INTERNATIONAL NEWS

EU named condition of resumption of South Stream pipeline construction

Baku/20.06.14/Turan: The European Union is not opposed to the South Stream gas pipeline, its construction has been temporarily suspended, Interfax quoted Gunter Oettinger, European **Energy** Commissar, as saying. In order to resume the construction, Russia must recognize the Third **Energy** Package, according to which gas producing companies cannot own the pipelines on the EU territory.

Oettinger has complained about the suit filed by Russia to the World Trade Organization (WTO) to disagree to the European rules. "We have started talks, created the working group and continued

discussion. But several days ago Russia decided to apply to WTO to get exception from the European regulations. It has accused us of violation of WTO rules. This means that the Russian **energy** policy corresponds to the WTO rules, but the EU legislation does not," he said.

European Commissar said that first Russia must recognize the EU regulations and bring the South Stream in correspondence with them and only after that seek for exceptions for itself. Oettinger added that the exceptions are possible.

"The violation of the local market rules is unacceptable for us. The exceptions are possible, but at first one should accept our rules and only then ask for exceptions. The situation was the same with Nord Stream. We display flexibility and make exceptions. But partners and investors of the project must accept the rules," said the European Commissar.

On June 3, 2014 the European Commission asked Bulgaria, through which the South Stream gas pipeline passes, to suspend its construction. After five days the government of the country has agreed to suspend the works. But on the next day Serbia followed Bulgaria's example.—0—

Ukraine promised EU to honor its commitments to transit Russian gas to Europe

Baku/20.06.14/Turan: Ukraine will honor its transit obligations while it has technological possibility, wrote Yuri Prodan, Ukrainian Minister of **Energy** and **Coal** Industry in his letter to the European **Energy** Commissar Gunter Oettinger, reported the Ukrainian Ministry of **Energy** and **Coal** Industry.

The Ukrainian Ministry of **Energy** and **Coal** Industry has also requested to create the operative group comprised of the EU representatives to control the transit of Russian gas passing through Ukraine's territory.

Prodan said that this way "one can make sure at the gas measuring stations that Ukraine honors its commitments to transport natural gas to the EU member-states."

ITAR-TACC reported earlier that without availability of 18 **billion** cub.**m.** of gas at the Ukrainian underground gas storage it will be hard to guarantee reliability of transit during winter time.—0—

WORLD MARKETS

BP: Iran has world biggest natural gas resources

Baku/20.06.14/Turan: During 2013 Iran has remained on the first place on the gas resources in the world, Iranian Fars news agency reported referring to the BP annual statistical review.

According to BP, total volume of natural gas resources in Iran is 33.8 trillion cub.**m.**

Last year natural gas resources of Russia increased from 31 trillion to 31.3 trillion cub.**m.** The volume of natural gas resources in Turkmenistan, Kazakhstan, Uzbekistan and Azerbaijan did not change.

The review also reads that by the end of 2013 total natural gas resources in the world reached 185.7 trillion cub.**m.** With the current pace of world consumption this volume will be enough for 55 years. According to BP's last year's Statistical Review, total volume of natural gas resources reached 185.3 trillion cub.**m.** During a year world natural gas resources increased by 200 **billion** cub.**m.**

The Review also includes statistical data of **oil** resources: by the end of 2013 their volume totaled 1,687.9 **billion** barrels against 1,687.3 **billion** barrels by the end of 2012, which shows just insignificant growth.—0—

Editor: Ilham Shabanov

CO azol : State Oil Company of Azerbaijan Republic | utdnat : United Nations

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AN Document TURNAG0020140620ea6k00002