

**HD** **China's CNOOC in talks for stake in Cyprus gas field: report**

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**China** National Offshore **Oil** Corp. is in talks to acquire up to 40% interest in the Aphrodite gas field in Cyprus, potentially pitting itself against Australia's Woodside Petroleum, Israeli media reported Thursday.

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Financial daily Globes, citing sources, said the **Chinese company** is eyeing between a 30% and 40% **stake** in the field.

Houston-based Noble **Energy** owns 70% of the field, which is located in block 12 in Cyprus, while Delek Group has the remaining 30% interest.

The report also said the field's 4.1 Tcf of estimated reserves could support a floating LNG plant, "which would allow the **Chinese company** to export gas" to **China**.

Noble in May terminated a non-binding memorandum of understanding with Woodside for the latter to take a 25% **stake** in Israel's giant Leviathan field for up to \$2.7 **billion**, after failing to agree on commercial terms.

Aphrodite is located north of Leviathan on the border between Cyprus and Israel.

Globes also reported over a week ago that Woodside remains in talks to take a **stake** in Cyprus' block 12, despite the failure of talks at Leviathan.

The newspaper said Woodside believes Aphrodite is suitable for development via FLNG, similar to the one it was trying to promote for Leviathan.

The latest report said CNOOC stands a better chance of concluding the deal with Noble and Delek, but did not specify any reasons.

"CNOOC was also interested in becoming a partner in the Leviathan field and sent representatives to Israel several times for talks. But ultimately the Leviathan partners preferred Woodside and its greater experience in FLNG projects," the report added.

Noble discovered the Aphrodite field in December 2011, and an appraisal well completed in October last year showed a 5 Tcf gas resource of high quality methane. But the resource falls short of the volume needed to proceed with a planned LNG export facility at Vassilikos, which for now is the heart of the Cypriot government's **energy** policy.

This is not the first instance that CNOOC has been linked to the prospect. In early 2012, Cypriot Interior Minister Neoklis Sylikiotis said the **company** was among several firms showing an interest in investing in the field.

Officials at Cyprus' **energy** ministry could not be reached for comment Thursday.

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**CO** chno : China National Offshore Oil Corporation | isfuel : Delek Group Ltd | nobaff : Noble Energy Inc |  
wodpet : Woodside Petroleum Ltd | cnooc : CNOOC Ltd

**IN** i1 : Energy | i13 : Crude Oil/Natural Gas | i1300002 : Oil Exploration | i1300003 : Crude Petroleum  
Extraction | i8396 : Diversified Holding Companies | ibcs : Business/Consumer Services | iexplo : Natural  
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| dvpcoz : Developing Economies | easiaz : Eastern Asia | eecz : European Union Countries | eurz :  
Europe | meastz : Middle East | medz : Mediterranean | wasiaz : Western Asia

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