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Weekly news roundup (2-5 May)
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International

Royal Dutch Shell has largely outstripped the pack of rebounding oil majors by more than doubling first quarter 2017 earnings [1], buoyed by stable crude prices and strong gas sales in the period.

Dutch oil and chemical storage firm Vopak and Belgium's Exmar have cancelled a proposed deal [2] that would have seen the former purchase Exmar's FSRU business.

US and Canada

US – The proposed Jordan Cove LNG project in Oregon is set to receive a financial boost after the project's Canadian developer Veresen agreed to a USD 7.1 billion takeover [3] by compatriot midstream outfit Pembina Pipeline Corp.

The US witnessed a mini-wave of shale asset sales this week with the unveiling of two unrelated deals [4] worth a combined USD 1.8 billion and plans for a further billion-dollar divestment programme.

US exports of LNG to Latin America have fallen dramatically this year [5] owing to lower demand for seaborne gas in the region, new data from Gas Strategies and the Department of Energy reveals.

President Donald Trump has signed an executive order aimed at expanding offshore drilling [2] in the Arctic and Atlantic Oceans.

Africa

Equatorial Guinea – Ophir, ONELNG, GEPetrol and the government of Equatorial Guinea have signed an umbrella agreement [2] establishing the legal and fiscal framework for the Fortuna FLNG project, which the partners expect to be the first floating LNG project in Africa.

Senegal – The government of Senegal is facing a showdown with independent player African Petroleum after officials awarded Total exclusive rights to an offshore block [6] with disputed ownership structure.

Asia Pacific

Bangladesh – Bangladesh is pursuing an ambitious LNG strategy that has already seen the country authorise development of 26.1 Bcm of regasification capacity – but is it biting off more than it can chew? Read more in our feature [7].

China – Qatargas, the world's largest LNG company, has delivered the inaugural cargo of LNG [8] to China National Oil Corporation's (CNOOC) Yuedong LNG terminal.

The delivery of an inaugural LNG cargo from Qatargas [9] to China National Oil Corporation's Yuedong regasification terminal this week marked the latest chapter in China's soaring status as a major LNG importer.

Iran-India – India is to hold Iran to ransom over a row regarding the award of an Iranian gas field [2] to India's OVL.

Japan – Japan Oil, Gas and Metals National Corporation (JOGMEC) has successfully extracted gas [2] from an offshore methane hydrate deposit.

Myanmar – Total has started production from a project offshore Myanmar [10] designed to extend the output of Yadana, the country's largest gas field, the French major said on Tuesday 2 May.

Pakistan – Eni has finalised a previously-announced deal to supply 180 LNG cargoes [11] to Pakistan LNG under a 15-year deal, after agreeing the price and other key contract terms.

Australasia

Australia – Shell and PetroChina's joint venture Arrow Energy has reportedly been awarded a licence [2] by Queensland's government to build a 420-km gas pipeline aimed at easing a potential gas supply crunch in the state.

A second Australian pipe was given the green light this week [2] after the Northern Territory government approved the construction of the 622-km Northern Gas pipeline that will transport gas between Tennant Creek in the Northern Territory and Mt Isa in neighbouring Queensland.

This week also saw Hony Capital buy an additional 48 million shares [2] in Santos Energy, or 2.3% of the company.

Australia's Origin Energy has increased its stake [12] in the Beetaloo shale gas joint venture in the country's Northern Territory to 70% after acquiring Sasol's 35% holding.

Europe

Norway – The country has opened a new offshore licencing round [13] designed to maximise usage of existing infrastructure at mature or ageing fields in Norwegian waters.

Statoil has handed over operatorship [2] the 70 MMcm/day capacity Polarled pipeline to Norway's state-owned TSO Gassco.

Spain – LNG provider Molgas Energia completed the first LNG bunkering operation [2] at the port of Santander this week.

Turkey – Wartsila has been awarded a contract by Turkish independent power producer Yesilyurt Enerji Elektrik Uretim to supply equipment for a 73 MW capacity extension [2] of the power producer's existing 128 MW power plant.

UK – London's insistence that the UK must quit the European Atomic Energy Community [14] (Euratom) upon exiting the EU has brought into sharp relief the escalating challenge of realising a new generation of large-scale nuclear reactors in the 2020s – raising the prospect of alternative sources filling the void.

Centrica is set to kick off a GBP 60 million (USD 77.3 million) refurbishment project at its Morecambe Bay platforms [15] in the Irish Sea that could unlock as much as 3 Bcf of additional gas.

Latin America

Brazil – A court in Brazil has lifted an injunction [2] barring Petrobras from completing a deal to sell its 66% stake in Carcara block to Statoil.

Middle East

Egypt – The country is facing a USD 2 billion fine for halting gas supplies to Israel [16] in 2012, after a Swiss court upheld an earlier decision to award damages to Israel Electric Corporation (IEC) and Eastern Mediterranean Gas (EMG).

Kuwait – Kuwait Energy is looking to raise USD 150 million through a premium listing [2] on London's stock exchange to fund the company's activities in the Middle East and North Africa.

Russia and CIS

Russia – Novatek has dropped the US-owned Air Products liquefaction technology used at Yamal LNG and opted for German hardware instead [17] for its new plant, Arctic LNG 2 – prompting some to speculate whether sanctions motivated the switch.



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