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Weekly news roundup (26 February-2 March)
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Weekly news roundup (26 February-2 March)

Analysis

European utilities turned to gas last week to cover demand spikes as a cold snap swept the continent [1], but weather forecasts and futures curves suggest consumption and wholesale prices could fall sharply.

International

A growing “mismatch” between LNG buyers and sellers [2] is stymieing much-needed investment into new liquefaction capacity, Shell said in its LNG Outlook 2018 report.

In December 2017, record monthly LNG production [3] brought total global supply last year to 289.7 mt, marking a year-on-year increase of roughly 10%, fresh data compiled by LNG Business Review reveals.

Bosses at troubled driller Seadrill claim to see light at the end of the tunnel after announcing a “pivotal” settlement with a majority of creditors over a crucial restructuring plan [4].

Naftogaz and Gazprom could be headed back to court [5] after the Ukrainian company claimed the Russian giant refused to supply it with gas pre-paid for delivery in March.

US & Canada

US – US-based supermajor ExxonMobil has backed a university climate research programme [6] that will examine ways to improve energy efficiency while reducing impacts on the environment, in its latest bid to please activist investors.

Dominion’s Cove Point LNG plant has become the second LNG facility to ship LNG [7] from the Lower 48 US states after the Shell-owned Gemmata LNG carrier left the plant last Friday.

Asia Pacific

India – One of the partners in a major gas project risks running out of cash [8] if required to stump up funds to cover its share of costs for development off India’s “prolific” east coast.

Pakistan – Austria’s OMV has agreed to sell its upstream business in Pakistan [7], which accounts for around 4% of domestic production, to Dragon Prime Hong Kong for USD 193 million.

Australasia

Australia / East Timor – Australia and East Timor have reached an agreement over their disputed maritime border [9], paving the way for the development of the Sunrise gas field.

Australia – Japanese heavy-hitters JERA and Marubeni have teamed up to examine the feasibility of supplying LNG into New South Wales, in what could become the second LNG import facility [10] on

Australia's east coast.

The partners behind the Gladstone LNG plant on Australia's east coast have agreed a major upstream capital investment [11] programme in Queensland to underpin LNG production and supply local consumers.

Alarm bells rang in Australia's eastern gas market last year, as a looming supply shortage caused prices to skyrocket up to 200% year-on-year for some customers, but how serious is the situation now? Read more in our feature [12]

Australia's competition regulator has decided to allow Chevron, Inpex, Shell and Woodside to coordinate maintenance activities on LNG facilities [7] in Western Australia and the Northern Territory.

Papua New Guinea – The PNG LNG plant has been shut down [13] and force majeure called [7] after a powerful 7.5 magnitude earthquake struck Papua New Guinea, damaging facilities associated with upstream and gas processing operations.

Europe

Cyprus – Cyprus has vowed to continue offshore exploration despite a deepening dispute over maritime sovereignty [14] with Turkey that forced a drillship to leave Cypriot waters without drilling a well in a block it had planned to explore.

Germany – Carnival Cruises has ordered a third LNG-fuelled cruise liner [9] for subsidiary AIDA Cruises – the leading cruise company in Germany – for delivery in 2023.

Greece – The Greek parliament has given the green light for E&P activities [7] in the west of the country, opening the way for Total and Edison to start jointly exploring four blocks awarded in 2016.

Norway – Norway's proven and unproven offshore petroleum resources increased [15] by 1.3 Bcm of oil equivalent last year after the Norwegian Petroleum Directorate mapped acreage in the Barents Sea yet to be opened for exploration.

UK – Ineos has won permission from the Oil and Gas Authority to move its application for geophysical surveys [9] in Clumber Park to the High Court, which will decide whether to grant the company access to National Trust land.

National Grid dismissed fears of gas supply shortages [16] for domestic users in the UK last week after issuing a 'deficit warning', despite infrastructure outages and higher demand having sent within-day prices to 12-year highs.

Repsol has reportedly asked Bank of America Merrill Lynch to value UK North Sea assets [7] jointly held with China's Sinopec as it looks to sell them.

Latin America & Caribbean

ONGC Videsh – the international arm of India's Oil & Natural Gas Corp – has linked up with NYSE-listed GeoPark to bid on upstream oil and gas opportunities [17] across South and Central America, with some focus on Mexico.

Bolivia – State-owned YPFB has snared further possible foreign investors to bolster upstream production [18] after the company penned an MoU with Kampac Oil of Dubai and London-based investment firm

Milner Capital.

Mexico – Pemex reported a slump in 2017 earnings and a widening full-year loss despite achieving oil production targets in disappointing annual results [19] that will make painful reading for bosses in Mexico City.

Middle East

Libya – Total has acquired Marathon Oil Libya [7] for USD 450 million, granting the French major access to over 500 Mboe of reserves and resources.

UAE – Inpex has been awarded a 10% stake in the offshore Lower Zakum concession [9] in Abu Dhabi under a 40-year agreement signed with the Supreme Petroleum Council.

Russia & CIS

Russia – ExxonMobil has withdrawn from some joint exploration projects [20] it was to undertake in the Russian Arctic and Black Sea with oil major Rosneft, citing US and European Union sanctions against Russia.

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