

LNG Unlimited

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Israel's NewMed helps to put Cyprus on LNG and gas map

Plans for Aphrodite gas field passed to Cypriot Government for formal approval
LNG News Editor

NewMed Energy, the Israeli natural gas company and LNG project developer in the East Mediterranean, said plans for the Aphrodite gas field offshore Cyprus have been formally submitted to the Cypriot Government and now focus on transportation of the gas by a pipeline to LNG processing facilities in Egypt.

The partners in the Aphrodite licence are NewMed and energy majors Chevron Corp and Shell with the Chevron Cyprus subsidiary as operator.

The field is located in Block 12 of the Cypriot Exclusive Economic Zone (EEZ) 170 kilometres (106 miles) offshore the Cypriot city of Limassol and is estimated to hold around 4.4 trillion cubic feet of natural gas.

"The partners in the reservoir have submitted an updated development plan for the Cypriot government's approval," said NewMed.

"Production and processing of the natural gas from the reservoir will be carried out via a subsea pipeline which will be connected to an existing processing and production facility in Egypt," added NewMed.

Fast-track gas

The Israeli company, headquartered at Herzlia, north of Tel Aviv, said that the updated plan was expected to accelerate and reduce the cost of development.

"According to a current estimate made by the operator Chevron, the updated development plan is expected to reduce the costs compared to the original plan and will bring forward commencement of



Cyprus's Aphrodite gas in Block 12 of island's economic zone

production of the natural gas from the reservoir," NewMed explained.

The Aphrodite partners met the new Cypriot Minister of Energy on May 29 to discuss the latest plans for the Aphrodite field.

NewMed said that the start of drilling of the A-3 appraisal well was announced earlier in May and was expected to take around three months. The A-3 well would then be used in the future as a production well.

Analysts say that the Aphrodite volumes, currently estimated at 4.4 trillion cubic feet, are likely to be directed to the Egyptian Idku liquefaction plant east of Alexandria where Shell is the operator.

"The regional ties that we have forged create possibilities for regional and global collaborations and infrastructure-sharing, which will help meet demand for natural gas anywhere around the globe," said Yossi Abu, Chief Executive of NewMed.

"We are making significant progress with development of the Aphrodite reservoir in accordance with the milestones we set in the work plan," he added.

NewMed has a 30 percent shareholding in the Aphrodite licence while Shell and Chevron each own 35 percent.

Progress on the Cyprus gas pro-

ject comes as NewMed is going through a process of selling a 50 percent stake in the company to UK major BP and Abu Dhabi National Oil Company.

The latest statement in May on the tie-up between the three companies said that BP and ADNOC were carrying out a due diligence review of NewMed and its assets.

NewMed's other main asset is its large stake with partners in the Leviathan gas field offshore Israel, which is one of the largest in terms of its customer base the East Med.

Leviathan is the subject of continuing pre-engineering work and discussions for the promotion of a Leviathan field expansion and the development of a floating LNG project.

Leviathan field

The Leviathan field already supplies the Israeli domestic market as well as pipeline gas exported to Egypt and Jordan.

The Leviathan project shareholders are the NewMed Partnership with 45.34 percent, Chevron subsidiary, Chevron Mediterranean Ltd with 39.66 percent, and Ratio Energies with 15 percent.

NewMed was formally known as Delek Drilling and changed its name to NewMed Energy in February 2022

UNLIMITED AGENDA

SHIPPING

Seatrium expands Van Oord's fleet of LNG-powered dual-fuelled dredgers

2

PROJECTS

FERC approves start-up permit for North Baja gas delivery increase

3

ACQUISITIONS

US energy takeover activities gather pace as Chevron seals \$6.3Bln deal

5

STORAGE



GTT and Samsung win approval from Lloyd's Register three-tank carrier

6

UPSTREAM

ADNOC Global Trading signs deal in Philippines amid gas and LNG plans

7

EARNINGS

India's ONGC flies the flag despite annual net profit decline

9

Van Oord and Singapore's Seatrium expand LNG-powered dredging fleet with newbuilds

LNG News Editor

Seatrium Limited of Singapore, formerly Sembcorp Marine Ltd and the Dutch family-owned dredging and shipping company Van Oord, marked the successful completion and delivery of the "Vox Alexia", Van Oord's third dual-fuel LNG-powered Trailing Suction Hopper Dredger (TSHD), during a sailaway event in the Asian city state.

The delivery of the "Vox Alexia", the final unit of a series of three dual-fuel LNG-powered dredgers, adds to the earlier completions of the first and second newbuilds "Vox Ariane" and "Vox Apolonia" delivered in April and December 2022 respectively.

Trials

Both sister vessels are currently in service and contributing to Van Oord's cleaner fleet operations.

Seatrium said that following delivery, the "Vox Alexia" would set off from Singapore for further preparatory trials by the customer prior to



The 'Vox Alexia' is Van Oord's third dual-fuel dredger

being put into service later in 2023.

"Leveraging the experience of constructing two earlier units, and an integrated Seatrium-Van Oord team approach, the project was completed with good safety performance as well as stringent quality and performance standards," said a statement from Seatrium and Van Oord.

Seatrium underwent a corporate transformation to a new brand and with its name changed from Sembcorp Marine Ltd following its merger with Keppel Offshore & Marine.

Seatrium and Van Oord added that the "Vox Alexia" was built to the requirements of the Interna-

tional Maritime Organization's Tier III regulations and construction was overseen by French maritime classification society Bureau Veritas.

The vessel has a hopper capacity of 10,500 cubic metres and incorporates highly automated marine and dredging systems.

The TSHD is equipped with a suction pipe with submerged e-driven dredge pump, two shore discharge dredge pumps, five bottom doors, a total installed power of 14,500 kW and is able to accommodate 22 persons.

"We are very pleased to now add 'Vox Alexia' to our fleet in addition to her sister vessels 'Vox Ariane' and 'Vox Apolonia', and as

such contribute even more to the energy transition and decarbonisation of our fleet," said Harold WM Linssen, Director of the Ship Management Department at Van Oord.

More projects

"We also look forward to utilising and further developing the established synergy with Seatrium in upcoming projects," added Linssen.

Tan Leong Peng, Managing Director of the Seatrium subsidiary, Seatrium New Energy Limited, said that the successful delivery of the latest dual-fuelled vessel with LNG capability would contribute to Van Oord's greener shipping operations.

"We are pleased to deliver 'Vox Alexia', the final unit in the series of three highly automated dual-fuel newbuild dredgers," said Tan.

"All three TSHDs run on cleaner LNG fuel and integrate greener features for enhanced efficiency, improved performance and environmentally sustainable operations," he stated.

Golar LNG seeks multiple LNG production projects in Nigeria amid lower earnings

Golar LNG Ltd, the shipping company now specialising in a small but growing fleet of floating LNG project vessels, reported first-quarter net losses as it maintained "strong engagement with prospective FLNG" clients, including signing an accord with Nigeria National Petroleum Corp. (NNPC) for offshore liquefaction projects.

Golar reported a \$102 million loss in the first quarter inclusive of non-cash, mark-to-market charges of \$188M compared with \$345M of profits in the same three months of 2022.

Unwound hedges

In January 2023, Golar said it effectively unwound its 2023 and 2024 Dutch Title Transfer Facility gas futures hedges, locking in about

\$140M of TTF hedged earnings and re-gaining full market exposure to its TTF linked production.

"For the remainder of 2023 and 2024, the locked-in TTF distributable adjusted EBITDA will be additional to Golar's share of tolling fees and market-linked Brent oil and TTF fee exposure," Golar explained.

The company posted adjusted gross earnings of \$84.14M versus \$89.65M in the same quarter last year.

Nigeria plans

Among quarterly highlights, Golar listed the memorandum of understanding signed with NNPC for joint development of potential floating liquefaction opportunities.

In its post-earnings presentation Golar noted that in partnership

with the Nigerian state company it would jointly develop "multiple integrated FLNG" projects.

Golar described Nigeria as a key future LNG partner with its current LNG exports of more than 23 million tonnes per annum of LNG cargoes, while the West African nation also "flared large volumes of natural gas", equivalent to 4.7 MTPA of LNG.

"Golar continues to target commercial structures aligned with gas resource owners, focusing on attractive break-even production costs relative to competing global LNG export projects, with upside in commodity price linkage," said the company.

"We are currently in discussion with 5-6 gas resource owners for potential FLNG deployment, with better economic terms than cur-

rent charters," it added.

Golar noted that it additionally exited the Cool Company Ltd. joint venture by selling its remaining 4.5 million shares to raise net proceeds of \$56M.

New Fortress deal

The company went on to reacquire the interest of New Fortress Energy, the New York-based LNG and power player, in Golar Hilli LLC for 4.1 million NFE shares and \$100M in cash and exited NFE investment by selling its remaining 1.2 million NFE shares for net proceeds of \$46M.

"The 'FLNG Hilli' maintained its strong operational performance with 100 percent economic uptime throughout the quarter," said the company.

Chart signs pact with Koch on CCC tech

Chart Industries Inc., the liquefied natural gas equipment-maker and industrial gas technology company, has signed an accord with US company Koch Engineered Solutions (KES) aimed at providing full carbon-capture solutions to key customers in the energy sector and other industries.

"The agreement will enable both companies to collaborate in the development and implementation of Chart's Cryogenic Carbon Capture™ (CCC) technologies, identifying sites where Chart's CCC technology can be deployed and developed," said a statement.

The company planning to work with Chart on carbon-capture will have all the available capabilities of Wichita, Kansas-based Koch Industries, one of the largest private companies in America.

"The KES capabilities include those of Koch-Glitsch, a world leader in mass transfer equipment, Koch Specialty Plant Services, a leader in onsite vessel fabrication and critical equipment installation, and Optimized Process Designs, a leading engineering, procurement and construction provider," added Chart.

Chart explained that some of these capabilities will complement Chart as it builds and operates an engineering-scale CCC process at Central Plains Cement Company in Sugar Creek, Missouri.

Central Plains Cement is a wholly-owned subsidiary of New York Stock Exchange-listed Eagle Materials Inc.

"Working with KES will enable our cutting-edge technology to reach even more potential customers across the industrial value chain," said Jill Evanko, Chief Executive of Chart.

FERC approves start-up permit for North Baja pipeline project

LNG News Editor

TC Energy Corp., the North American natural gas and energy pipelines company, has received permission from the US Federal Energy Regulatory Commission to bring a pipeline expansion into service for deliveries to Mexico, including feed gas for liquefied natural gas exports.

TC Energy, based in Calgary in the Canadian province of Alberta, received a permit for the company's North Baja Pipeline LLC unit to start the North Baja natural gas pipeline expansion in Arizona and California.

Granted

"We grant North Baja Pipeline LLC's request to commence service of all remaining facilities associated with the North Baja XPress Project to provide the incremental service of up to 340,000 dekatherms per day," said the FERC statement.

The North Baja XPress (NBX) Project has upgraded one existing



View of El Paso Meter Station as crew backfill newly installed pipe for US project pointing to Mexico

compressor station and two existing meter stations in Arizona and California.

TC Energy has said that the NBX pipeline would leverage existing infrastructure to meet a growing demand for natural gas by expanding capacity on the North Baja Pipeline, which supplies gas to Arizona, California and Mexico.

The North Baja Pipeline System is bi-directional and can move gas produced from West Texas and the

Rocky Mountains region to markets in both the Western US and Mexico.

One of the beneficiaries from the expansion will be the Costa Azul LNG export plant in Mexico currently being constructed by Sempra Infrastructure, the LNG and projects unit of California utility Sempra.

The Costa Azul project in Mexico intends to liquefy for export about 0.45 Bcf per day of US feed gas.

Kinder Morgan raises the storage capacity on Texas intrastate system

Kinder Morgan Inc. (KMI), the leading US pipeline feed-gas company for liquefied natural gas plants and a key energy infrastructure developer, has announced plans to expand the working gas storage capacity at its Markham facility in Matagorda County along the Texas Gulf Coast.

KMI has reached an agreement with Underground Services Markham LLC, a subsidiary of Texas Brine Company LLC, to lease an additional storage cavern at Markham.

Cavern volume

The cavern will help provide more than 6 billion cubic feet of incremental working gas storage capacity and 650 million cubic feet per day of incremental withdrawal ca-

capacity on KMI's extensive Texas intrastate pipeline system.

Anchor shippers have subscribed to approximately half of the available capacity under long-term agreements and the commercial in-service date for the project is January 2024.

"During Winter Storm Uri, KMI's storage portfolio was critical to supplying human needs customers in Texas while also providing much needed supply to numerous electric generation facilities during the storm," explained KMI Natural Gas Midstream President Tom Dender.

"We are pleased to increase our natural gas storage solutions to further support Texas customers, particularly during severe weather events," said Dender.

"Storage capabilities on highly utilized assets are critical to support the ability of Texas to respond to an energy crisis and ensure energy reliability as renewables become a greater portion of the state's energy mix," he added.

"This expansion will provide much needed capacity that could supply gas-fired electric generation facilities within ERCOT and provide electric service to well in excess of one million homes in Texas," Dender stated.

Prior to the expansion, Markham had 21.8 Bcf of working gas storage capacity with peak delivery of 1.1 Bcf per day of natural gas with multiple receipt and delivery points on KMI's nearly 7,000-mile Texas intrastate system.



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OLT Offshore expansion

OLT Offshore LNG Toscana, the company that owns the floating LNG import terminal off the port of Livorno, has received authorization to increase its annual regasification capacity from the current 3.75 billion cubic metres to about 5 Bcm per year. "Thanks to the decree issued on May 26 OLT will be able to receive up to 122 small-scale LNG carriers per year to carry out the small-scale LNG supply service," said the company.

Woodside contract awards

Woodside Energy, the Australian operator of the North West Shelf and Pluto LNG export projects, has completed the award of all major contracts for the decommissioning of subsea infrastructure at the Enfield, Griffin, Stybarrow and Echo Yodel oil and gas fields offshore Western Australia. The upcoming work will follow successful decommissioning activities which have been underway at the Enfield and Balnaves fields. "Specialist contractors engaged to undertake activities during the subsea decommissioning campaign include TechnipFMC, Heerema, McDermott, Fugro, DOF and McMahon.

CNOOC reaches out

China National Offshore Oil Corp., the Chinese major and LNG importer, has moved to improve its relationships with Western and domestic institutional investors and analysts by holding a series of meetings. "The purpose of this activity is to strengthen the communication between the company and institutional investors and to enhance institutional understanding of the company and the industry," said CNOOC. The company said it hosted Chinese and Western investment banks over the past week at its Shenzhen offices and at project sites.

US energy takeover activities gather pace as Chevron agrees \$6.3Bln all-share deal for Permian-DJ assets

LNG News Editor

Chevron Corp. has agreed to acquire Nasdaq-listed PDC Energy in an all-stock transaction valued at \$6.3 billion and boosting the US major's holdings in US strategic basins such as the Permian.

Chevron said it was paying \$72 per share and based on Chevron's closing price on May 19 and under the terms of the agreement, PDC shareholders would receive 0.4638 shares of Chevron for each PDC share.

The statement added that the total enterprise value, including debt, of the transaction was \$7.6Bln.

The acquisition of PDC provides San Ramon, California-based Chevron with high-quality assets expected to deliver higher returns.

PDC, headquartered in Denver, Colorado, gives Chevron positions and development opportunities in the Denver-Julesburg (DJ) Basin as well as additional acreage to Chevron's in the Permian Basin.

Complementary

"PDC's attractive and complementary assets strengthen Chevron's position in key US production basins," said Chevron Chairman and Chief Executive Mike Wirth.

"This transaction is accretive to all important financial measures and enhances Chevron's objective to safely deliver higher returns and lower carbon. We look forward to welcoming PDC's team and shareholders to Chevron and continuing both companies' focus on safe and reliable operations," Wirth added.

The Chevron deal is the latest in US energy mergers and acquisitions for assets close to the US Gulf Coast LNG export hub and in the Permian Basin with another agreement recently announced involving Vital Energy Inc. and



PDC's assets include Denver-Julesburg (DJ) Basin fields

acreage across three counties in West Texas.

Vital Energy and Northern Oil and Gas Inc. (NOG) jointly acquired the assets of Forge Energy II Delaware LLC, an EnCap Investments portfolio company based in the Permian Basin, in a \$540M all-cash transaction.

"The combination with Chevron is a great opportunity for PDC to maximize value for our shareholders. It provides a global portfolio of best-in-class assets," said Bart Brookman, PDC President and CEO.

"I look forward to blending our highly complementary organizations, and I'm excited that PDC's assets will help propel Chevron toward our shared goal for a lower carbon energy future," added Brookman.

The US major said the agreement with PDC increased Chevron's proved reserves by 10 percent at an acquisition cost of under \$7 per barrel of oil equivalent.

Permian and DJ

In the Permian Basin 25,000 net acres are held by production and will be integrated into Chevron's existing development operations.

In the DJ Basin, there are 275,000 net acres adjacent to Chevron's existing operations that add over 1 billion BOE of proved reserves in highly economic locations and enable capital and operational synergies.

Chevron said it expected capital expenditures to increase by \$1Bln per year, raising its guidance range to \$14Bln-to-\$16Bln.

"The acquisition consideration is structured with 100 percent stock utilizing Chevron's equity. In aggregate, upon closing of the transaction, Chevron will issue approximately 41 million shares of common stock," it explained.

The transaction has been unanimously approved by the Boards of both companies and is expected to close by year-end 2023.

The acquisition is subject to PDC shareholder approval. It is also subject to regulatory approvals and other customary closing conditions.

Chevron added that the transaction price represented a premium of 14 percent on a 10-day average based on closing stock prices on May 19, 2023.

Morgan Stanley & Co. LLC is acting as lead financial advisor to Chevron. Evercore also advised Chevron. Paul, Weiss, Rifkind, Wharton & Garrison LLP is acting as legal advisor to Chevron.

J.P. Morgan Securities LLC is acting as lead financial advisor to PDC Energy and provided a fairness opinion to the Board.

Wachtell, Lipton, Rosen & Katz and Davis Graham & Stubbs are jointly serving as the company's legal counsel and PJT Partners also advised PDC Energy.

GTT and Samsung win approval from Lloyd's Register for design of three-tank LNG carriers

LNG News Editor

Gaztransport and Technigaz (GTT), the French LNG storage technology company, and South Korea's Samsung Heavy Industries have received an approval from UK maritime classification society Lloyd's Register for a new design of GTT's three-tank concept.

The new design is for a new LNG carrier featuring GTT's three-tank Mark III Flex membrane containment system, which will also allow for the reduction in the length of vessels.

New carrier plans

This approval in principle is the result of a Joint Development Project initiated in 2022 and aimed at designing a new generation of LNG vessels.

Analysts note that about 30 years ago, GTT upgraded LNG carriers from five storage tanks to four tanks and the company now hopes to bring the market forward with a three-tank LNG carrier.

GTT explained that the three-tank LNG carrier concept permits an increase in LNG cargo capacity and improves maintenance efficiencies through the suppression of one cofferdam, one pump



French LNG storage technology firm has been market leader

tower and all associated cryogenic equipment.

The Paris-based company added that the design also improved the ratio between the volume of LNG transported and the surface area of the cryogenic liner.

GTT explained that this would make it possible to achieve a boil-off rate as low as 0.080 percent of tank volume per day with the Mark III Flex technology compared with 0.085 percent of the volume per day with the LNG ships currently in operation (of 174,000 cubic metres capacity).

"In addition, this three-tank LNGC design provides an almost

equivalent loading time as a standard four-tank LNGC configuration, thanks to an adapted pump tower," said the company.

"In addition to these benefits, the removal of a cofferdam, pump tower and its associated equipment reduces the weight of the ship," it added.

Philippe Berterroitière, Chairman and Chief Executive of GTT, said he was proud to be granted this approval from Lloyd's Register alongside its long-standing shipbuilding partner SHI.

"We are convinced that this development will benefit all players in the maritime sector by improving the performance of LNG

carriers," stated Berterroitière.

Youngkyu Ahn, Vice President of the Shipbuilding Engineering Division of SHI, said the design was expected to increase cargo capacity, minimize operating costs, optimize maintenance efficiency and reduce greenhouse-gas emissions.

"This achievement is a remarkable step in the pursuit of even more innovative vessel designs, and it is with conviction that we pledge to continue to explore and develop innovative designs in the future," he stated.

Focused

Lloyd's Register said it was focused on innovating to improve efficiency and safety and had reached "another important stage" in its collaboration with SHI and GTT.

"We are pleased to award this AiP, which marks an important step forward for LNG owners, who will now have the opportunity to reduce the length of their vessels and maximise cargo-carrying potential with this optimised design," declared Young-Doo Kim, a senior executive of Lloyd's Register in North-East Asia.

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JERA names new COO for USA

Japan's biggest liquefied natural gas importer, JERA Co. Inc., has named James Tinsley as Chief Commercial Officer of the JERA Americas subsidiary based in Houston in Texas as the Japanese company also hinted at US expansion moves.

Tinsley joins JERA Americas from his position as Vice President for Natural Gas Supply and Trading at Calpine Energy Services.

The Japanese company's interests in US LNG and energy includes a stake and tolling agreement with the Freeport LNG export plant at Quintana Island in Texas.

US developer Venture Global LNG also signed a long-term sales and purchase agreement with JERA in April 2023 for 1 million tonnes per annum of cargoes for a 20-year period from the Calcasieu Pass expansion project called CP2.

JERA said that in his new role, Tinsley would be responsible for all commercial functions for the company including overseeing "commercial development opportunities" for existing assets and for future asset portfolios the company may acquire.

"We are glad to have James join us at a critical point in JERA Americas' growth trajectory," said Steven Winn, Chief Executive of JERA Americas.

"Over the past two years we have scaled up the organization to where we now have a solidly performing core asset portfolio and supporting corporate infrastructure," Winn explained.

"James will spearhead the next phase of growth, expanding our commercial organization's capabilities to optimize our current portfolio and the new assets we intend to build or acquire," the CEO stated.

ADNOC Global Trading signs deal in Philippines amid LNG projects

LNG News Editor

Abu Dhabi National Oil Company, whose subsidiary supplied the first floating LNG terminal for the Philippines, is also involved in the latest supply deal for the Malampaya natural gas field offshore Palawan.

The operator of the Malampaya natural gas field is now Prime Energy Resources Development, a subsidiary of Prime Infrastructure Capital owned by Filipino businessman Enrique K. Razon Jr.

Operator

The Filipino company is the operator of the Malampaya gas-to-power project and is looking to extract volumes of additional gas by 2026 after being awarded a provisional 15-year licence extension by the Government.

The Malampaya operator said it would be supplying gas condensate from the field to ADNOC Global Trading (AGT), a joint venture involving ADNOC, Italian energy company Eni and Austrian oil and gas company OMV.



Depleting Malampaya natural gas field is still monetising

The Philippines group has signed a deal with AGT to supply condensate from Malampaya until the end of February 2024.

Condensates are recovered from natural gas and crude oil and are mainly used for petrochemical feed stocks.

Another ADNOC subsidiary, the ADNOC Logistics and Services shipping unit, provided the LNG floating storage unit "Ish" with storage capacity of 137,500 cubic metres to the Atlantic, Gulf & Pacific Company (AG&P) Philippines LNG import terminal in Batangas Bay.

Filipino company SMC Global Power Holdings has an FSU capacity agreement with AG&P and the

FSU is now operating from a berth near the Iligan power plant.

The first LNG import terminal will soon be joined by a second from July developed by Filipino power group First Gen Corp.

The two import facilities will help ease gas shortages at power plants in Luzon that have worsened over the past two years.

The Enrique Razon-led company, which has signed the condensate deal with AGT, is also looking to drill two operational wells and an exploratory well in an attempt to extend the natural gas production life of the Malampaya field.

Empire Energy sees shares jump as shale-gas for LNG plan advances

Empire Energy Group Ltd, the small Australian exploration and production company, saw its shares rise after a regulatory breakthrough in the onshore Beetaloo Basin of the Northern Territory and since its discovered natural gas resources were independently revised to an LNG-scale asset.

Empire's shares listed on the Australian Securities Exchange have risen from A\$0.160 per share to A\$0.190 per share since the double announcements in the month of May 2023.

"The resources estimate for Empire's wholly owned and operated EP187 permit has been prepared by Netherland, Sewell &

Associates, Inc. (NSAI), a worldwide leader of petroleum property analysis," said Empire in a statement on May 29 to the ASX.

"The revised estimate of the Contingent Resources for EP187 includes the technical results from Empire's successful 2022 drilling, fracture stimulation and extended production testing campaign," explained the company.

Well tests

Its activities included three Carpentaria well areas, comprising two horizontal and one vertical test projects.

"NSAI has identified over 200 2C drilling locations, representing LNG-scale development

potential," said Empire.

"Following the recent green light from the NT Government to move into production, the Empire team is progressing towards development drilling and cash flow," it added.

The NSAI report gave a 270 per cent increase in 2C Contingent Resources to 1,739 petajoules, representing an average estimated ultimate recovery (EUR) per well of 7.9 petajoules.

"Due to the high calorific value of the Empire's EP187 gas, NSAI assessed sales volumes in PJ have a higher energy content than equivalent dry-gas volumes," said Empire.

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Profits dip for India's ONGC as gas field set to start up and Mozambique LNG advance awaited

LNG News Editor

Oil and Natural Gas Corporation (ONGC), India's leading energy producer that is set to bring on-stream a new gas field in June in the Krishna Godavari Basin in the Bay of Bengal and holds a stake in the Mozambique LNG project, reported a drop in annual net profits while revenues increased.

ONGC's said annual profits fell to 388.29Bln Indian rupees (38,929 crore rupees), which is \$4.70Bln, down from a total of 403.06Bln rupees (\$4.88Bln) in the previous year.

KG-D5 field

The Delhi-based state-controlled company said its KG-D5 block discovery would amount to around 400,000 standard cubic metres per day and would be ramped-up to 1.4 million scm per day by February 2024.

The field is adjacent to three fields developed in the KG Basin by a joint venture comprising Reliance Industries and UK major BP.

ONGC has given a start-up date of June 15 for the field and will be



State-controlled ONGC flies the flag at home and overseas

seeking a fuel price of \$12 per million British thermal units.

ONGC's revenues for the year from operations increased to 1,547.54Bln rupees (\$18.73Bln) compared with 1,099.62Bln rupees (\$13.20Bln) in the previous fiscal year.

Fourth-quarter revenues were 360.73Bln rupees (\$4.36Bln) versus 343.94Bln rupees in the prior-year quarter.

For the fourth quarter ONGC posted a loss of 2.48Bln rupees (\$30M) compared with a net profit of 88.60Bln rupees (\$976M) in the prior-year quarter.

ONGC also noted that it had made eight oil and gas discoveries

in India during the year with three located offshore and five onshore.

The company's annual realised natural gas price in the year to the end of March 2023 was US\$7.34 per MMBtu versus US\$2.35 per MMBtu in the previous year.

ONGC said it paid out a record dividend to shareholders of 11.25 rupees per share, an increase of 225 percent.

The company said the total dividend pay-out would be 14,153 crore rupees (\$1.71Bln).

ONGC said its average realised oil price in the year was US\$91.90 per barrels versus US\$76.62 a barrel in the previous year.

The fourth-quarter crude price

was US\$77.12 a barrel compared with US\$94.98 a barrel in the same three months of 2022.

Mozambique LNG

One of ONGC's subsidiaries is ONGC Videsh Ltd., which is its overseas operating unit and holds a 10 percent stake in the onshore Mozambique LNG export project being developed by TotalEnergies. Other Indian companies hold stakes in the African LNG venture.

India's Bharat PetroResources and Beas Rovuma Energy also each own 10 percent and a fourth Indian company, Oil India Ltd, is additionally involved in the Area 1 Block through its 40 percent shareholding in Beas Rovuma Energy.

Mozambique LNG is set to restart construction in the southeast African nation's northeast Cabo Delgado province by the end of 2023.

That will be after the implementation of a humanitarian and environmental programme drawn up by independent experts to hand-off future criticism from global anti-hydrocarbon groups.

Gazprom profits drop as Western sanctions and EU pipeline shutdowns are boost for US LNG

Gazprom, the natural gas supplier hit by Western sanctions over the Ukraine invasion, saw its shares drop on the Moscow stock exchange after the board said the company would not be paying a dividend to shareholders as it reported a profits plunge while European Union replaces Russian gas with US LNG.

Margins

The St Petersburg-based company's shares fell by 4.27 percent to 165 roubles per share in Moscow before recovering to 167.95 roubles per share, still down 2.78 percent on May 24.

The Russian gas producer reported that its net profit at-

tributable to shareholders under International Financial Reporting Standards (IFRS) dropped by 41.4 percent to 1.226 trillion roubles (\$15.26 Bln) in 2022 compared with 2.093 Bln roubles (\$26.1 Bln) in the previous year.

The US and European nations last year introduced sanctions against Russia and state-backed companies such as Gazprom and the export volumes have almost halved to 101 billion cubic metres of gas.

"Profit margins were impacted by an increase in tax payments in the second half of the year," said Gazprom by way explanation.

The payment of a final dividend by Gazprom had been fore-

cast as unlikely by analysts.

Gazprom has already paid an interim dividend of 1.2 trillion roubles (\$14.94 Bln) in 2022, giving away half of its IFRS net profit for the first half of 2022.

In addition to suffering from sanctions, Gazprom will also be affected for the rest of 2023 by falling global natural gas prices from previous record levels.

According to estimates, Gazprom's gas exports in 2023 to countries that were not part of the former Soviet Union may amount to around 69 Bcm, including 33 Bcm to Europe, 21 Bcm to Turkey and about 15 Bcm to China.

Of the volumes last year, Rus-

sian deliveries to EU nations such as Hungary have dropped by 77 percent to around 8 Bcm.

Flows via Turkey

Gas supplies still flow out of Russia via the "TurkStream" pipeline and the "Blue Stream" pipeline under the Black Sea to Turkey and some southeast Europe nations.

With the main Nord Stream natural gas pipelines from Russia to Germany now cut off, the European Union has been adapting to a future without Russian volumes by importing increased LNG cargo deliveries from countries like the US and Qatar.



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A handwritten signature in black ink, likely belonging to Jill Evanko.

JILL EVANKO / CEO / CHART INDUSTRIES

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