

Umidjan Israilov

National Oil&Gas Company



Current status and prospect on investment in oil and gas industries of Uzbekistan

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Foreign Investments to the Oil&Gas Industry

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INVESTMENT PROGRAM



1

New construction

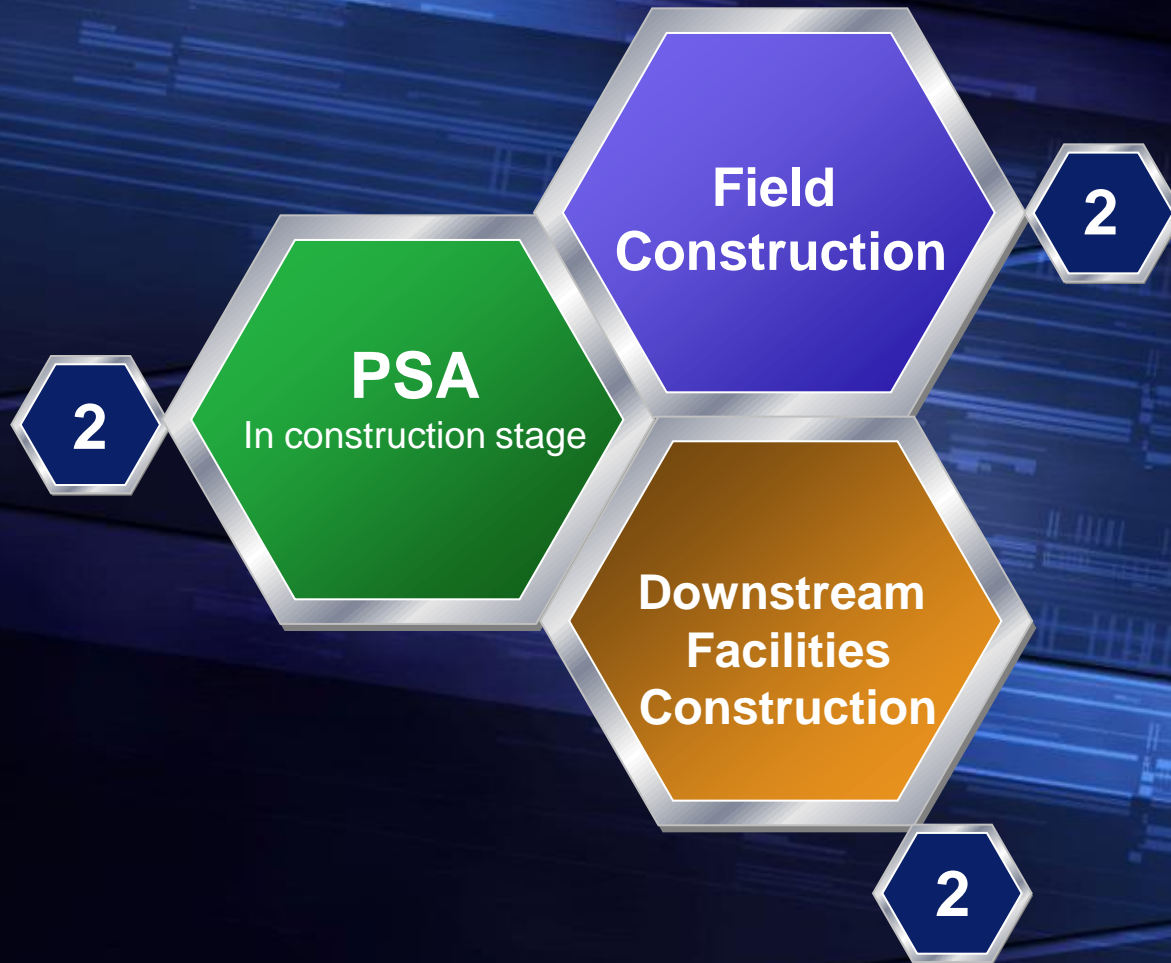
2

**Modernization and
rehabilitation**

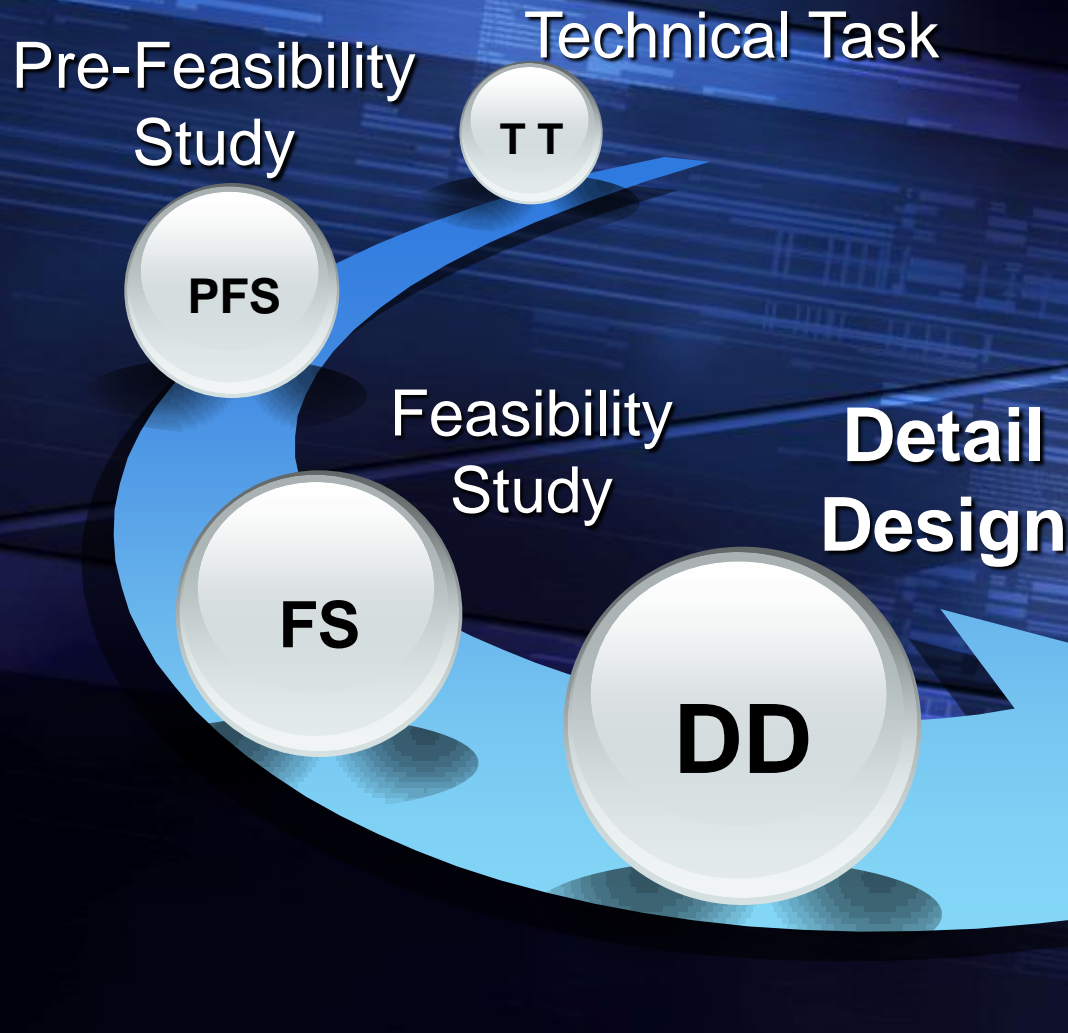
3

Exploration Works

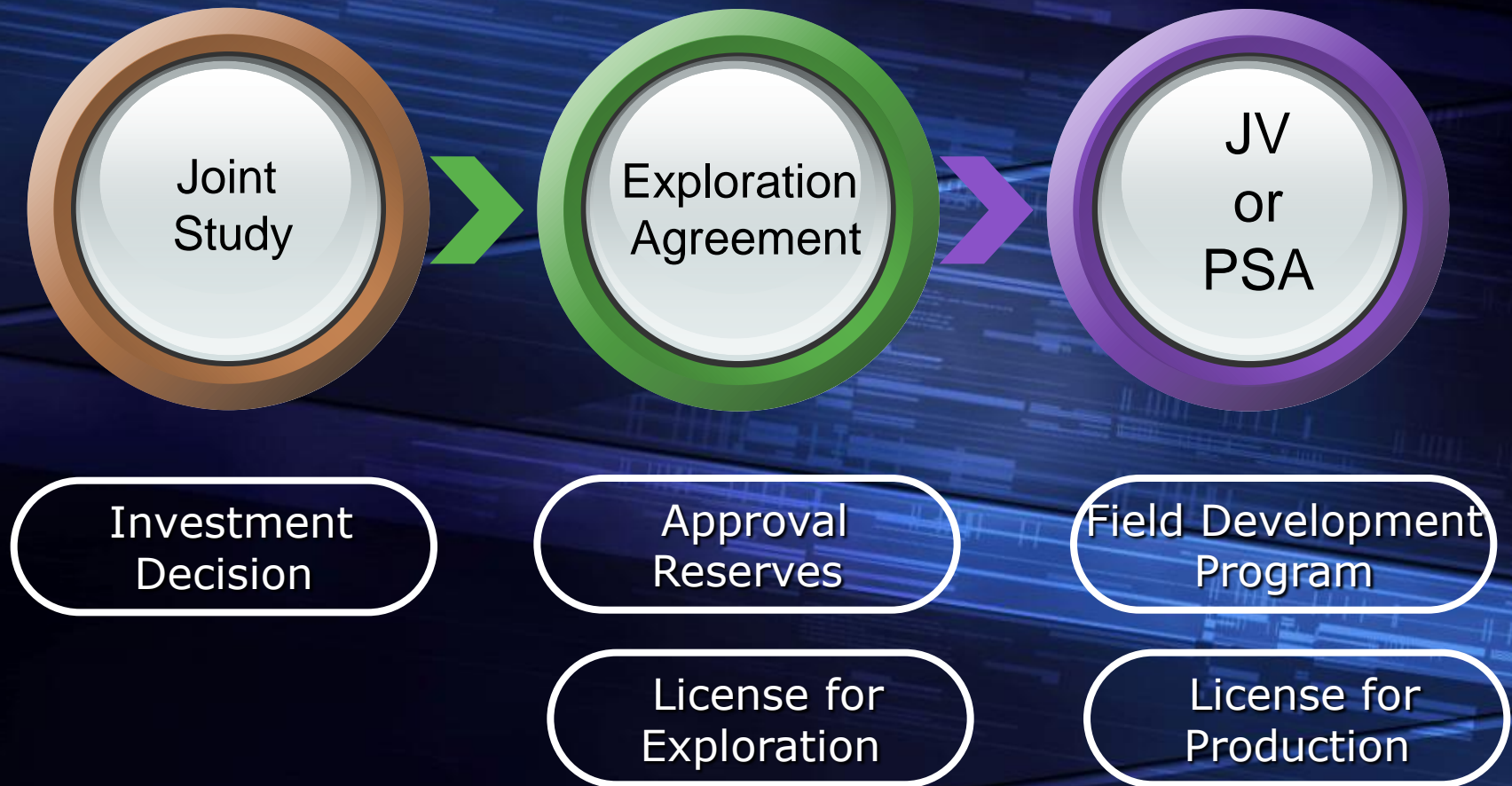
NEW CONSTRUCTION



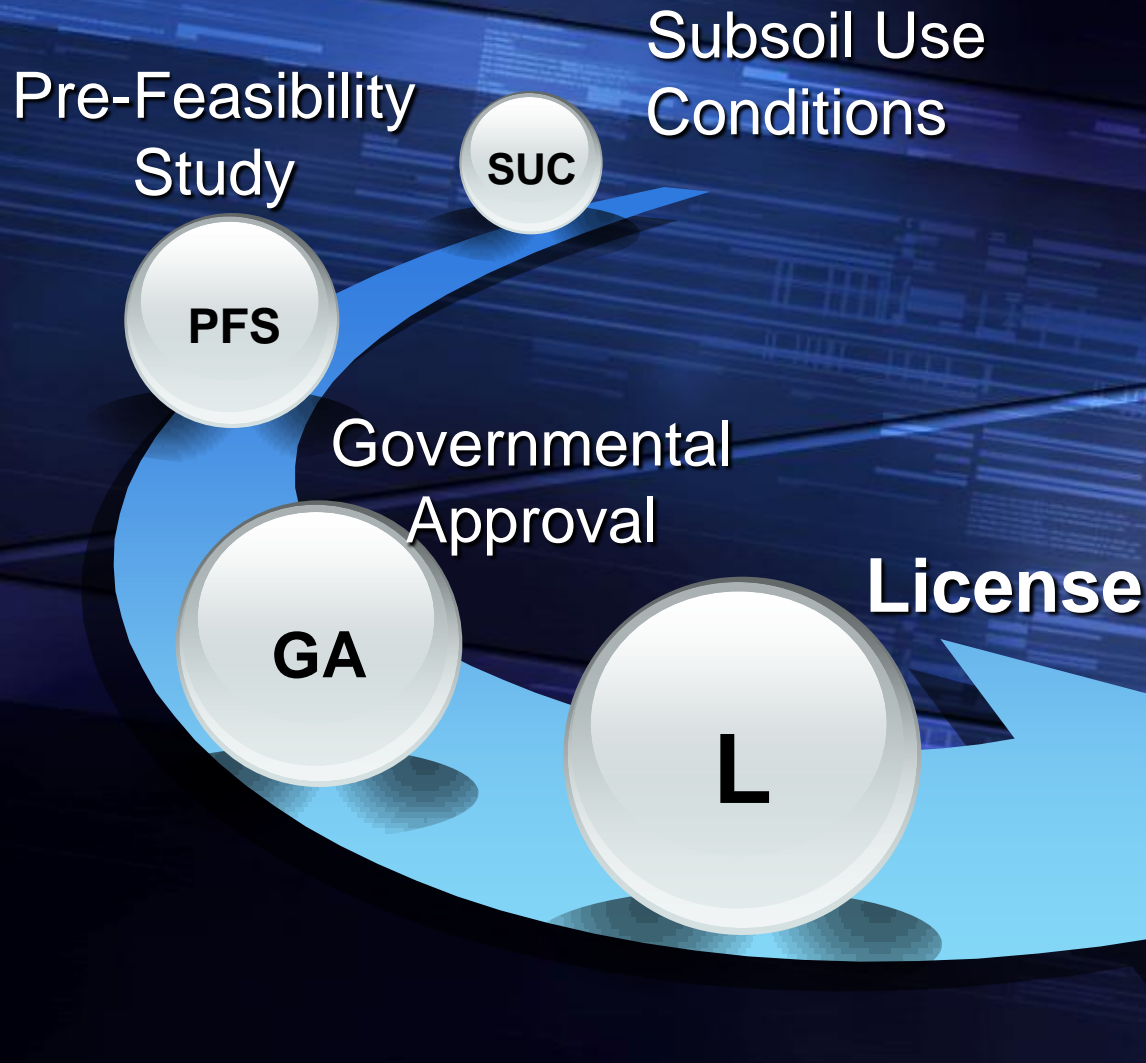
Stages of Project Documentation for New Construction



Exploration Projects



Stages of obtaining licenses for Exploration & Production



Sources of Financing



Sources

UNG own funds

Direct Foreign Investments

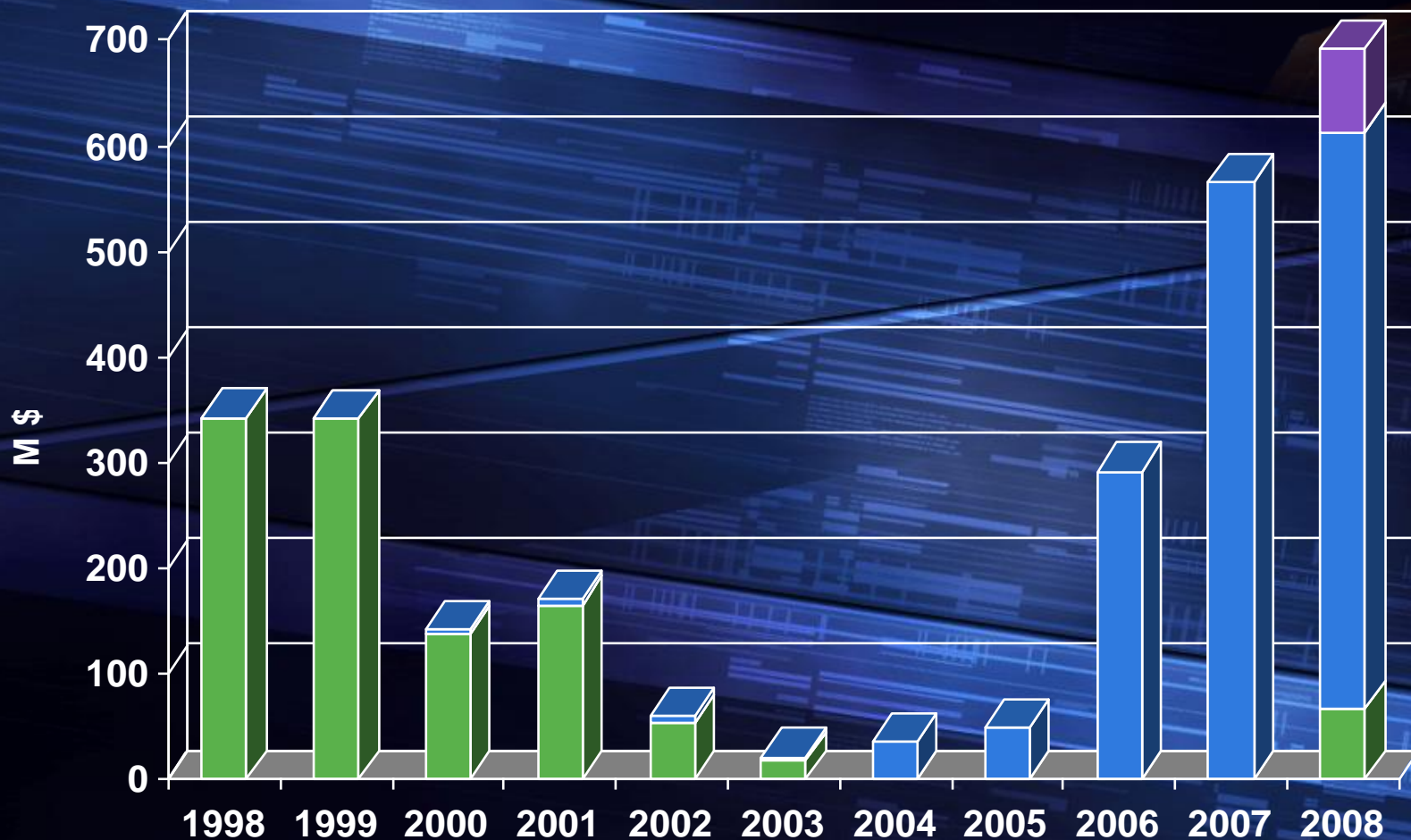
Bank Loans

Loans under Sovereign Guarantee

Fund for Reconstr. & Development

Clear Development Mechanism

Foreign Investments in 1998-2008



■ Sov. Guarantee

■ Direct Foreign Investment

■ FRD

Foreign Investors



I. Exploration Contracts

1. Gazprom (Russia)



2. CNPC International



3. Petronas Carigali (Malaysia)



4. Korea National Oil Corporation



Korea National Oil Corporation

5. Korea Gas Corporation



II. Production Sharing Agreements

1. Lukoil (Russia)



2. SNG-Vostok (Russia)

3. International Consortium



III. Joint Ventures

1. JV with Korean Consortium (KOGAS, LOTTE Group, LG International, SK Gas, STX Energy)



2. UzTexaco

3. Uz Dresser Rand and others (23 JVs)

Year 2009 Forecast (foreign investments)



- New Construction
 - Direct Investments – \$ 801,3 M (7 projects)
(and Loans)
- Modernization & Revamping
 - Loans (Sov.Guarantee) - \$ 30 M (1 project)
- Others (E&P)
 - Direct Investments - \$ 169,65 M (6 projects)

Prospects



- **Main prospects in investments to oil&gas sector are bound up with the implementation of State Program of the Development of Oil&Gas Industry of Uzbekistan for years 2007-2012 and aimed at:**
 - Increasing Exploration Works, Excess of Reserves and Production of hydrocarbons
 - Increasing level of production and refining of oil & condensate as well as oil products, LPG and PE producing

Prospects



- **Increasing scale and efficiency of exploration works is planned to be reached by means of:**
 - Attraction of foreign investments under the investor's risk
 - Renovation of drilling rigs, seismic survey stations as well as other special equipment



■ Prospect Projects

- Brand new technologies for hydrocarbons production and refining
- Recycling associated gas
- Extraction of valuable components from natural gas (polymers etc)
- Wide application of alternative fuels
- Increasing transit of natural gas

New Projects (Upstream & Downstream)



- **Exploration Works (KNOC, KOGAS, Daewoo Int., Petronas)**
- **New transit pipeline (CNPC)**
- **GTL Project at Shurtan GCC (Petronas)**

Priority Directions



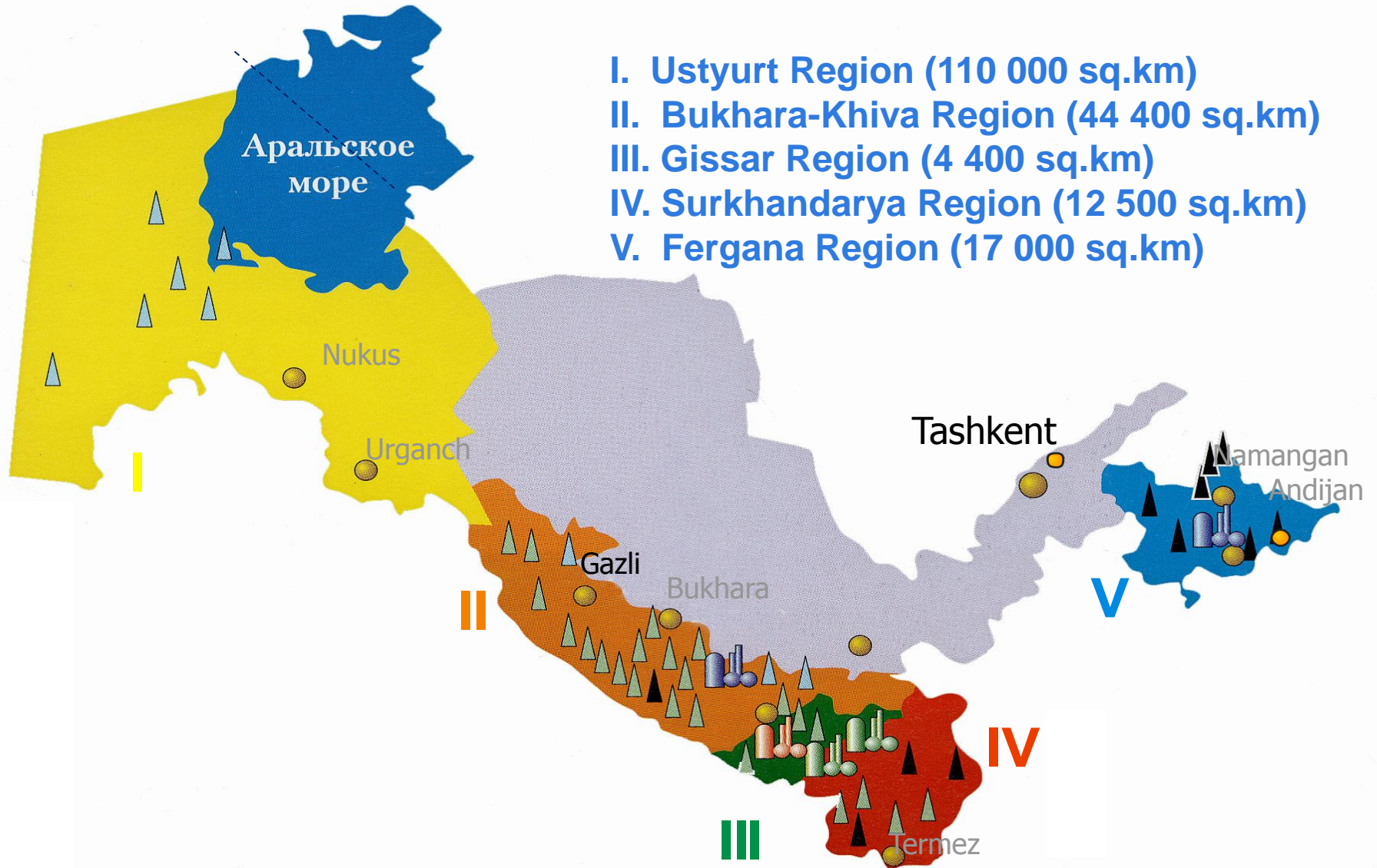
- **Application of alternative technologies (DME, GTL)**
- **Shift from Exploration to Production stages of the projects**
- **Quick starting and soonest finalizing of construction of new Gas Chemical Complex producing PE & PP**



**Proposals for the
new Uzbekistan -
Korea investment
projects in the field of
geological exploration
and production of oil
and gas**

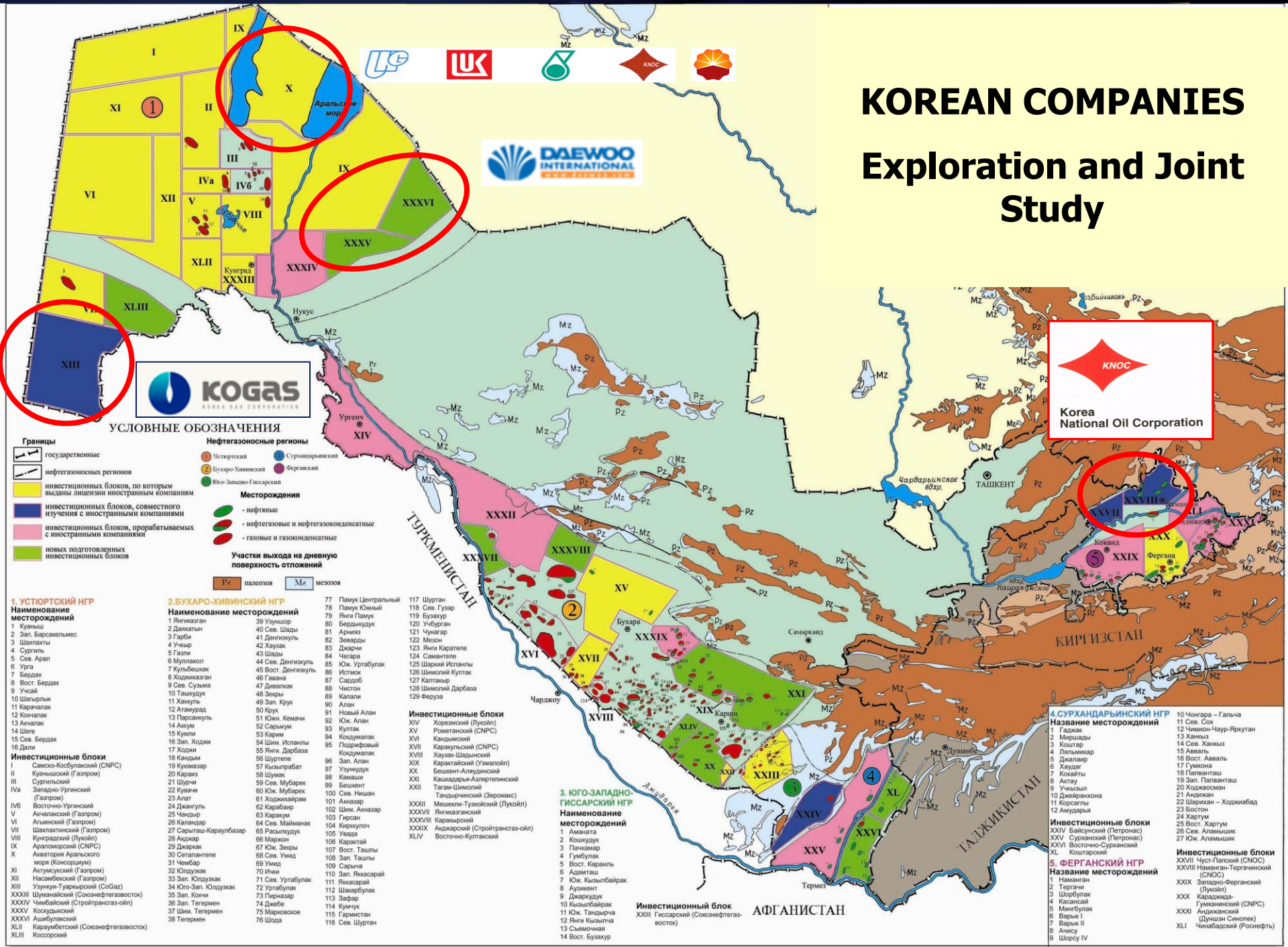
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Oil and Gas Regions of Uzbekistan



KOREAN COMPANIES

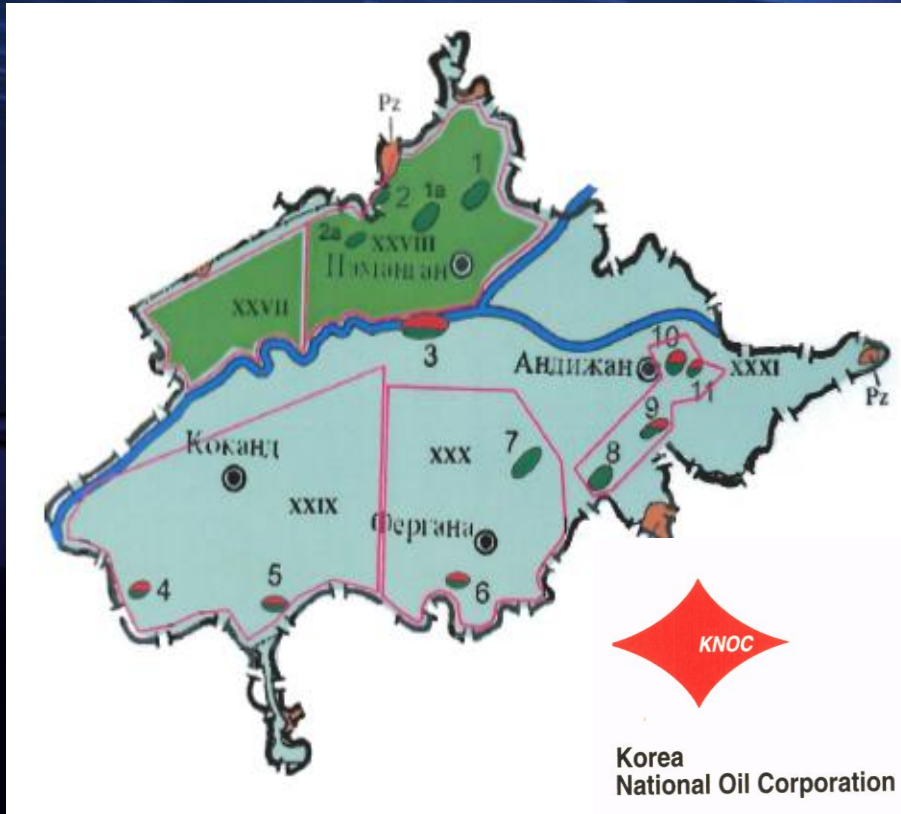
Exploration and Joint Study



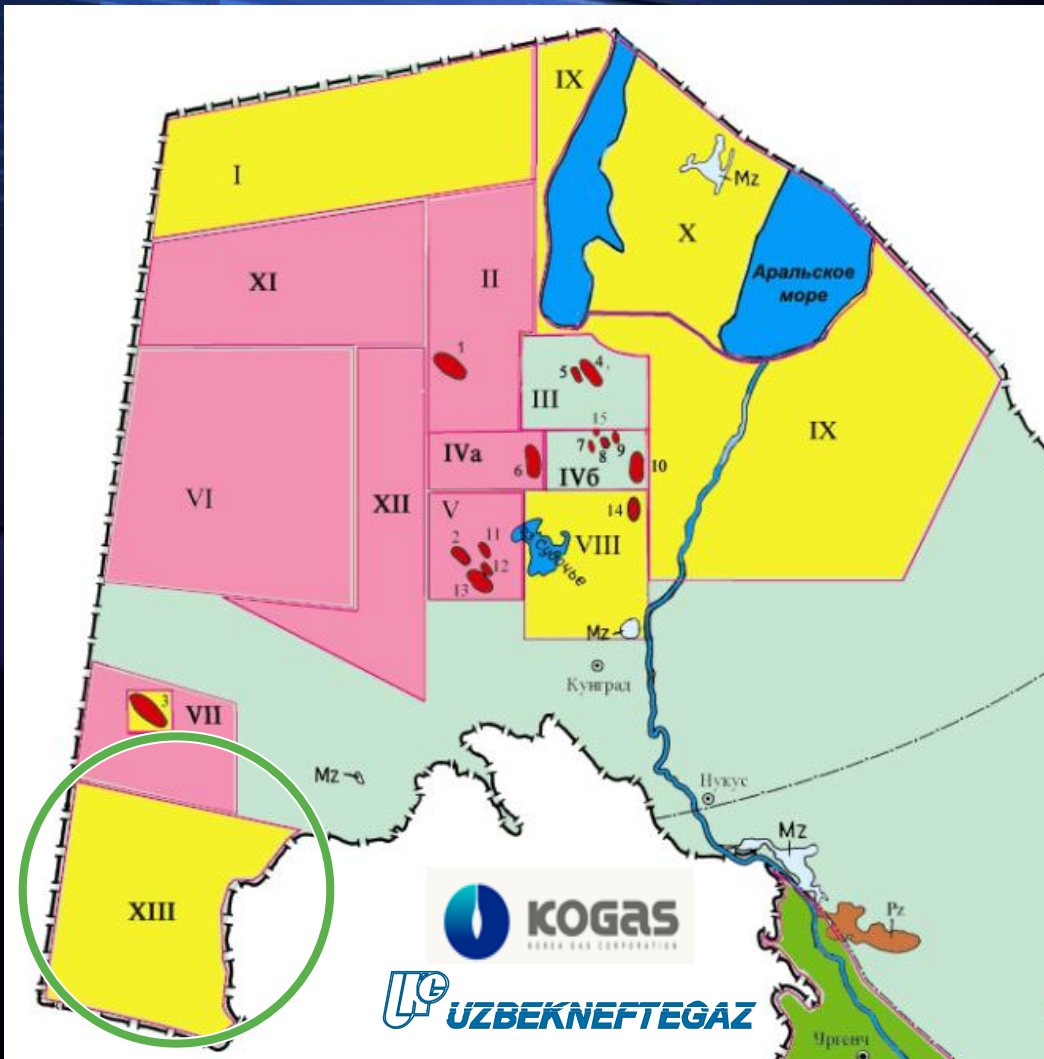
NAMAGAN-TERGACHI & CHUST-PAP PROJECT



- 1. Location:**
Namangan region
- 2. Total area:**
Chust-Pap – 2000 sq.km;
Namangan-Tergachi – 2800 sq.km
- 3. Minimum Work Program:**
Chust-Pap:
 - 1500 km 2D seismic
 - drilling of 2 wells**Namangan-Tergachi:**
 - 1000 km 2D seismic
 - drilling of 3 wells
- 4. Estimated investments:**
Chust-Pap – \$ 25 M ;
Namangan-Tergachi – \$ 25 M



UZUNKUI-TUARKYR PROJECT



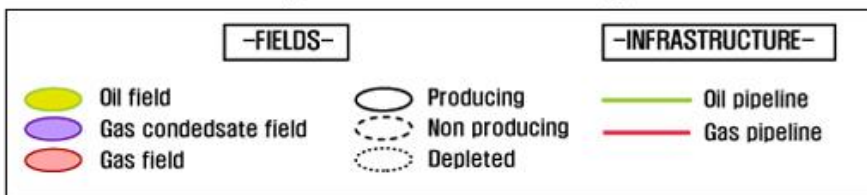
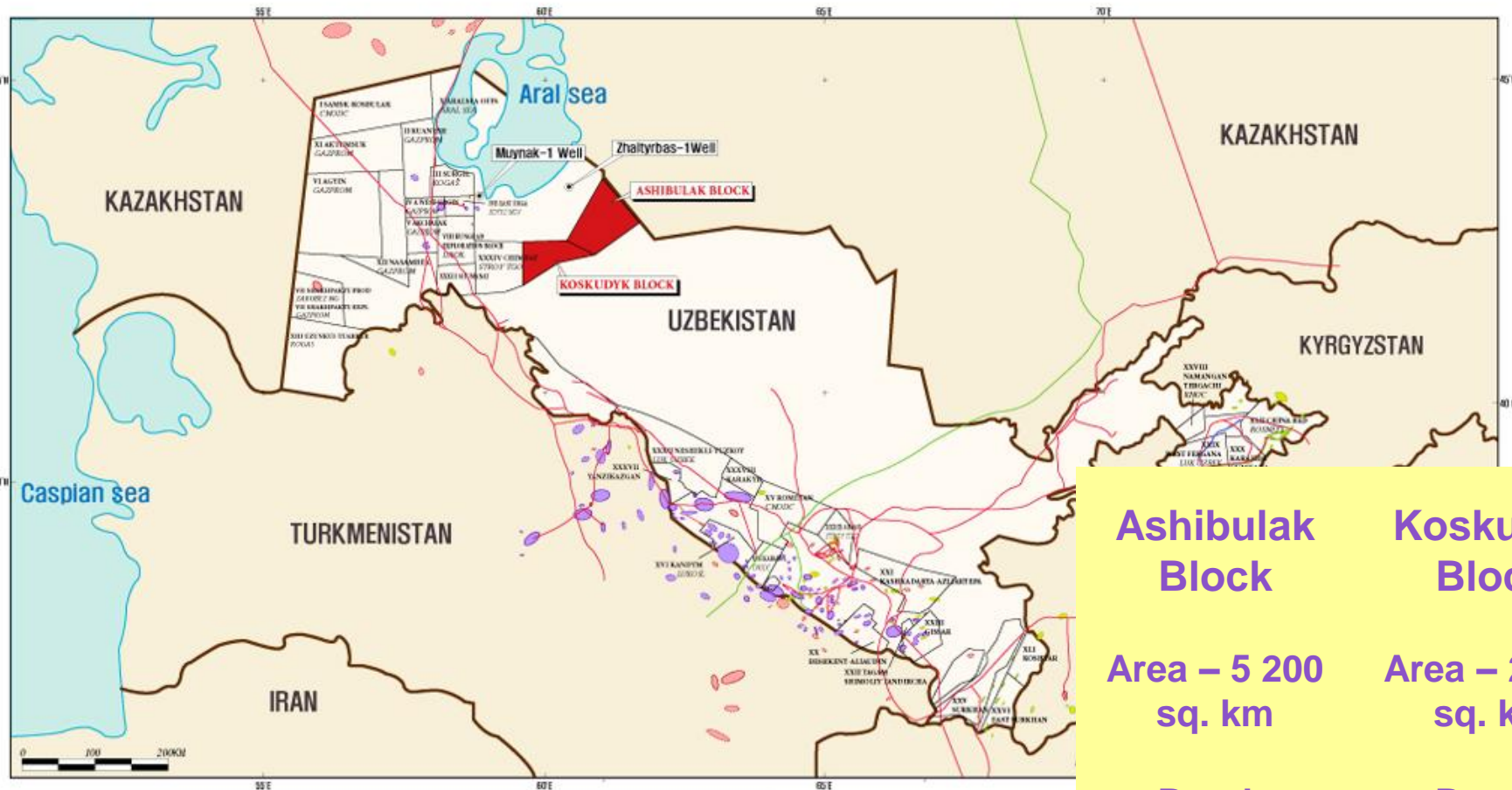
1. Location:
Ustyurt region

2. Total area:
9300 sq.km

3. Minimum Work Program:
- 3840 km 2D seismic
- drilling of 6 wells

4. Estimated investments:
\$ 62.4 M

ASHIBULAK & KOSKUDYK PROJECT



Ashibulak Block

Area – 5 200 sq. km

Poorly explored by seismic & drilling.

Koskudyk Block

Area – 2 600 sq. km

Poorly explored by seismic & drilling.

New opportunity areas (Exploration & Risk- Service) for KOREAN COMPANIES





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Thank You !

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