



THE OIL AND GAS EXPLORATION SCENE IN SYRIA IN 2006


by Fadwa Soud, Trade & Investment Officer

The Syrian oil & gas exploration scene seems busy these days. The number of international oil & gas exploration and production companies working in Syria probably exceeds the number in 1980s, most recently Dove Energy and Gulfsands Petroleum (UK/USA).

Dove Energy, as operator, and its Norwegian partner DNO ASA are currently doing seismic shooting in block VI, in the north-west of the country. And in block XXVI, Gulfsands Petroleum, as operator and the UK's Emerald Energy, who hold a 50% working interest, started drilling the first exploration in April 2006, with a second in August. Gulfsands and Emerald are quoted on the London Stock Exchange's Alternative Investment Market (AIM). Stratic Energy are also conducting geological and geophysical surveys in its block XVII, with plans to start drilling in 2007. Stratic Energy also has major interests in the North Sea and offices in London.

Shell continues to be the major investor in the Syrian oil & gas sector. In addition other investors such as TotalFinaElf, Croatian Ina-Naftapljin succeeded in making three new discoveries in 2004 in two blocks South of Palmyra and in block X in the middle area of the country. A number of other oil & gas exploration companies also signed contracts with SPC in 2005, such as the Russian company Tatneft for block XXVII, north-east and south-east of Al Furat Petroleum Company production area. IPR and ONGC as partners in a block north-west of AFPC production area and the Tunisian HBSI in Al Raqqa area. Dublin is currently developing Odeh, Sheikh Mansour and Tishreen oil fields for SPC in Al Hasakeh area to increase production. The initial studies seem good.

Petro-Canada, with offices in London, sold its shares in its contract with Shell in the Deir Ezzor area to the Chinese/Indian partners CNPC and ONGC, but did not withdraw from the Syrian



Gulfsands Petroleum Syria Ltd.

Gulfsands own a 50% working interest in Block 26 and is the operator. The block covers 11,000 square kilometres and surrounds areas which currently produce over 100,000 barrels of oil per day from existing fields. In January 2006 the Group completed the acquisition of 1,155 kilometers of 2D seismic. Gulfsands has identified 31 total prospects, including the Tigris structure, within Block 26 with mean resources potential exceeding 1 billion barrels of recoverable oil.

www.gulfsands.net