

	<b>mWELCOME</b>
	<b>mSTORY</b>
	<b>mTRAIN</b>
	<b>mPRICES</b>
	<b>mFEATURE</b>
	<b>mPHASIS!</b>
	<b>mPATHY</b>
	<b>mOFFERS</b>

## Gas and Oil Tame the Desert!



Abu Dhabi National Oil Company (ADNOC) hosted the 22<sup>nd</sup> Gastech Conference and Exhibition at the Abu Dhabi International Exhibition Centre in Abu Dhabi during 4<sup>th</sup> – 7<sup>th</sup> December 2006 which coincided with Abu Dhabi's celebrations of 35 years of national freedom.

Little more than sand and sea thirty five years ago, Abu Dhabi is now a spectacular city, well worth a visit, and succeeded in showing of its vast wealth and resources to the Gas Industry, where, at the opening ceremony we were treated to the delights of the Emirates Palace in all its vastness and splendour. Tea and coffee were served in a huge reception hall, giving delegates a chance to catch up with old friends and acquaintances from all over the world. We were slowly ushered into the equally vast and sumptuous ballroom for the opening speeches. Translators were available as the opening speeches commenced after a recital from the Quran.

[Read the rest of this article](#)

**mZINE**



**mWELCOME**

Hello and welcome to the December issue of **MZINE**, our free monthly e-newsletter.



First and foremost, **MJMEnergy** would like to wish all our **MZINE** readers a very Merry Christmas and a happy and prosperous 2007.



After an exhausting start to the month we thought we would give you a little taste of Gastech see [MSTORY](#) for our main article. [MPRICES](#) looks at the spot Oil Forward Curve, whilst at [MPHASIS](#) the joke is on the delegates of the most successful Gastech to date! Don't forget to check out our thought of the month at [MPATHY](#).

Our public course dates for 2007 have now been published and can be seen at [http://www.energytrainingnetwork.com/public\\_courses.htm](http://www.energytrainingnetwork.com/public_courses.htm) The first three months can be found at [MTRAIN](#). Last winter we saw the gas war between Russia and Ukraine, as Russia cut gas supplies at the coldest time of the year. Are we going to see the same thing happen to Belarus? See the story at [MFEATURE](#)

Please feel free to contact me about this newsletter and let me have your thoughts, what you like and don't like, I am open to your suggestions.

And if you have enjoyed reading this newsletter and think you know someone who might also enjoy it then feel free to forward it on.

Any one may sign up for this monthly newsletter, it is free and your details are protected.

**Email:**

Kind regards.

A handwritten signature in black ink that reads 'Paul Lasser'.

Paul Cassar  
Editor





All of our training courses can now earn, participating solicitors, CPD points from the law society. Attendance at any of our events may also contribute to meeting accountancy CPD requirements under the terms of the ICAEW's CPD policy. Please visit [www.icaew.co.uk/cpd](http://www.icaew.co.uk/cpd) for the ICAEW's CPD policy details.

Over the [next few months](#) the following one-day events are being held in **London, UK**.

More information about these courses can be found by clicking on the course title or visiting [energytrainingnetwork.com](http://energytrainingnetwork.com) and clicking on public courses. Alternatively you can contact me by [email](#) or phone +44 (0) 1235 553917, fax +44 (0) 1235 553917.

Any of our public courses can be held at your location, for your company, or they can be tailor made to your requirements. If you want to find out more contact our Training Manager Nick White [nick@mjmenergy.com](mailto:nick@mjmenergy.com) +44(0) 1235 211161 and get ahead of the rest.

February 7th	<a href="#">Global LNG Markets</a>	London
February 21st	* <a href="#">Gas Storage</a> *	London
February 27th	<a href="#">UK Electricity Market</a>	London
February 28th	<a href="#">An INTRODUCTION to the UK GAS MARKET</a>	London
March 1st	<a href="#">An INTRODUCTION to the NETWORK CODE</a>	London

**\* New for 2007 \***

## **Gas storage overview**

As the UK and Europe as a whole become increasingly dependent on gas imports and as trading markets develop, gas storage is becoming an increasingly important tool for players in the liberalising markets of the UK and Europe. This one-day course provides an overview of the key issues in gas storage, including the rationale for storage, technologies used, storage services and regulation, storage projects and the crucial question of how to value storage in the competitive market.

### **Why store gas?**

- Supply / demand match
- Load duration curves
- Balancing needs
- Security of supply/strategic security
- Pipeline optimisation
- Trading opportunities

### **Gas storage technologies and facilities**

- Injection, withdrawal and space
- Salt cavity, depleted fields and aquifers, LNG, mines etc
- Overview of storage facilities and operators in Europe

### **How storage is sold**

- Storage models
- Regulation and third party access
- Contract structure
- Storage on the market

### **Discussion and questions and answers**

#### **Building storage – storage projects**

- Technical and engineering issues
- Consent and planning
- Project structure
- Overview of current projects

## Case study – A storage project

### Storage economics

- Valuing flexibility
- Alternatives to storage

### The future of storage

Priced at £500 + VAT per delegate, this course will run in London on 21st February 2007. To book your place [click here](#).

[top](#)

The logo for mZINE, featuring the word 'mZINE' in a stylized font where the 'm' is red and 'ZINE' is white, set against a dark background with a blue and yellow gradient on the right side.

## mPRICES

Forward Oil Curve

### THE FORWARD CURVE

Sharp falls in US product stocks and growing cuts in OPEC crude supply are supporting higher price expectations throughout the forward curve. However, the front end of the curve is still in deep contango. Extended refinery maintenance swelled US crude stocks this autumn, especially at Cushing where rising Canadian imports helped raise inventories to record levels this month. Refined product stocks are down sharply, falling by 65 mn bbls (0.9 mbpd) so far this quarter as turnarounds coincided with a surge in gasoline and distillate deliveries.

## SWAPS PRICES

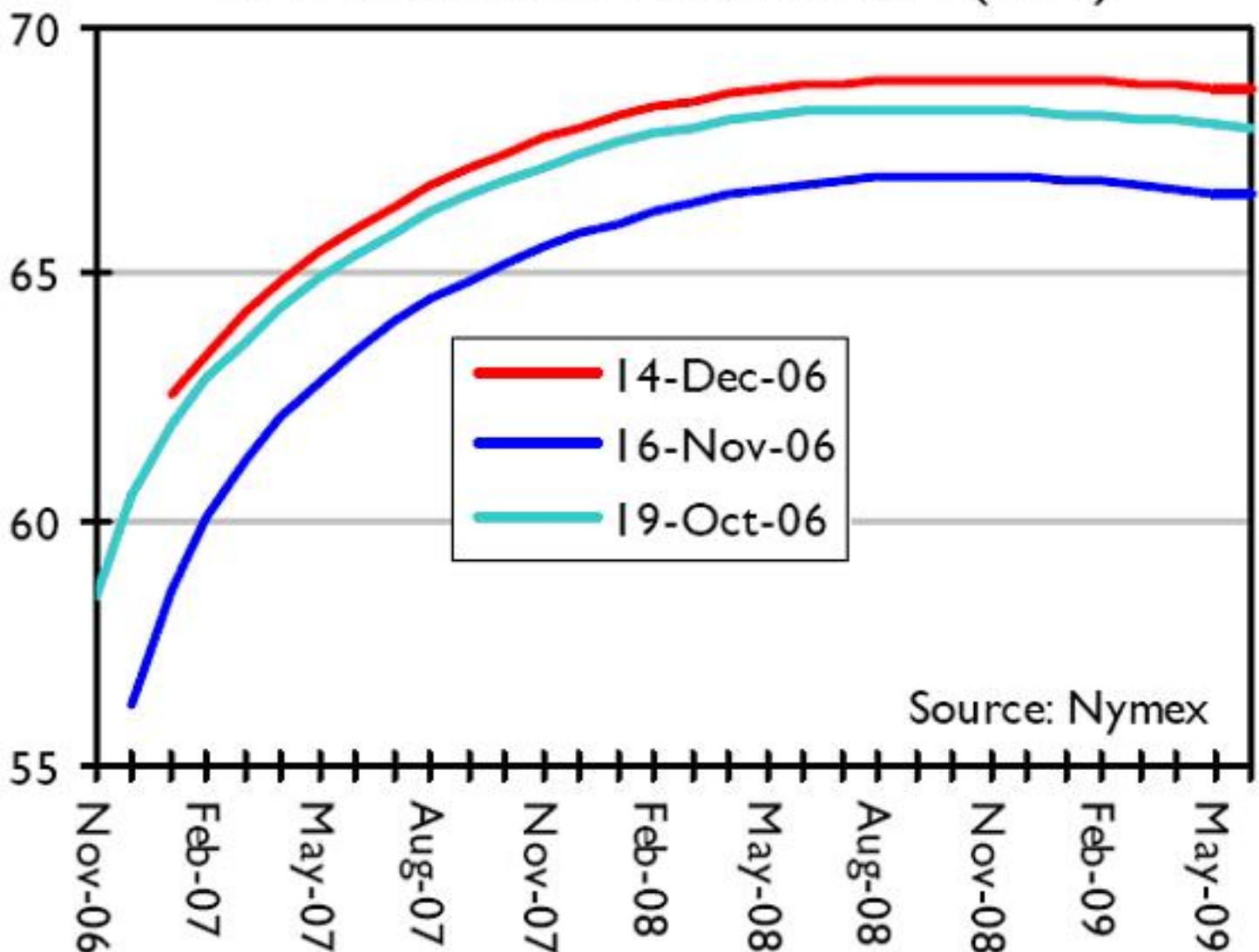
*Period averages at close of business on 14/12/2006*

\$/bbl	1Q07	2Q07	3Q07	4Q07	2007	2008	2009
WTI	64.36	66.05	67.23	68.05	66.42	68.81	68.64

*Source: Icap Energy Ltd.*

Longer-term prices firmed despite OPEC's fears of an over-supplied market. Although non-OPEC supply is predicted to rise sharply next year, the market expects OPEC to keep the balance tight, reducing output to accommodate any reduction in the call on OPEC crude. Calendar 2007 WTI is back over \$66/bbl – 20 cents above Brent, equivalent to \$61/bbl for the new OPEC basket of crudes.

### WTI FORWARD PRICE CURVE (\$/bbl)



*CGES Monthly Oil Report, 18 December 2006* [www.cges.co.uk](http://www.cges.co.uk)

[top](#)

**mZINE**

**mJM ENERGY**  
CONSULTANCY  
PUBLISHING  
TRAINING

**mPHASIS!**

for the lighter side of life!

Gastech transport arrangements to and from the hotels however,  
failed to live up to expectation!



[top](#)

**mZINE**

## **m**PATHY

thought of the month

There is a great man who makes every man feel small. But the real great man is the man who makes every man feel great.

*Charles Dickens*

[top](#)

**mZINE**



## **m**OFFERS

this month's exciting offers!

As a special thank you to all our readers we would like to offer you this **free Conversion chart** which you can [print off](#) and carry with you wherever you go.

[Download pdf](#)

### **LNG Today: 2004 edition**

As relevant today as the day it was written, this timely report is on offer to MZINE readers for just **£200!** A Christmas special to our customers. Just type **MZINE** in the 'notice to us box' to claim your discount!



Valid until 31/12/06

[Click for more information or to order your copy.](#)

[top](#)

**mZINE**



**mFEATURE**

## **Belarus fails to cut Russian gas price**

*By Upstream staff*

**Russia has brushed off attempts by Belarus President Alexander Lukashenko to lower the price of gas supplies.**

While no details of the meeting were available, Reuters quoted Kommersant correspondent Andrei Kolesnikov as saying that Lukashenko flew back home empty-handed having failed "to drag Russian-Belarus relations out of the dark abyss".

Gazprom wants to raise gas prices for Belarus to over \$200 per 1000 cubic metres from around \$46 per 1000 cubic metres now. The company has said it would accept a share in Belarus's local trunk pipelines to guarantee lower prices in 2007.

Last year, Gazprom briefly cut supplies to neighbouring Ukraine and gas transit to Europe in a similar pricing dispute and amid tense political relations with Kiev.

Gazprom supplies 25% of Europe's gas needs or around 150 billion cubic metres, of which over 100 Bcm go via Ukraine.

About 30 Bcm per year is supplied via Belarus for customers in Poland and Germany.

"This article, which is protected by copyright, was originally published on 18 December 2006 by UpstreamOnline.com, the electronic news service of the global oil & gas newspaper Upstream." [www.upstreamonline.com](http://www.upstreamonline.com)

[top](#)



MJMENERGY LTD have provided all the information in this newsletter free of charge to anyone who wishes to read it. We cannot be held responsible for any inaccuracies although all information is believed to be correct at time of publication. Whilst articles published in this newsletter often carry a particular point of view, publication of them does not imply that we necessarily agree with them. Anyone wishing to contact the editorial team with regards to any of the above articles should email: [editor@mjmenergy.com](mailto:editor@mjmenergy.com), or phone +44 (0) 1235 553917

Copyright © 2006, MJMENERGY LTD. All rights reserved (but feel free to copy, post, quote, think about or forward on)