
KAZAKHSTAN'S TENGİZ OIL FIELD EXPANSION TO CREATE 20,000 JOBS

- 01.02.2017

Oil Price, 31 Jan 2017

The implementation of the project to raise production at Kazakhstans huge Tengiz oil field will create more than 20,000 oil-related jobs in the country, the ministry of labor and social protection said on Monday.

The company operating the Tengiz field, Tengizchevroil LLP, is implementing the Future Growth Project and Wellhead Pressure Management Project (FGP-WPMP), under which production is expected to increase by 12 million tons per year, or by 260,000 barrels per day. The WPMP plans to keep the existing Tengiz plants full by lowering the flowing well head pressures and boosting the pressure to the six existing processing trains, according to the companys plans.

In July last year, Tengizchevroil □ in which Chevron holds 50 percent and ExxonMobil another 25 percent - approved a \$36.8-billion output expansion plan for Tengiz. Plans are to bolster production to 39 million tons of crude per year, or 850,000 barrels per day, by 2022. The field currently yields 27 million tons per year, which represents over a third of Kazakhstans overall crude oil output.

Kazakh Energy Minister Kanat Bozumbayev said back then that the expansion was expected to generate some \$120 billion in extra taxes by the year 2033 when the oilfield development contract ends, as well as a cumulative 250 million tons of crude.

Tengizchevroil □ whose other shareholders include Kazakhstans state company KazMunayGaz with 20 percent and Lukoils LukArco with a 5-percent ownership □ said that crude oil production was 114.8 million barrels for the first half of 2016.

This small lithium company is on the verge of becoming the next big thing in the resource space. With incredible assets and a dream team including mining legend Frank Giustra □ this company should be on all investors radar.

Total recoverable crude oil in the Tengiz and the nearby Korolev field is estimated at 6.4-10.7 billion barrels.

In 2015, Chevrons share of the net daily production from the two fields averaged 257,000 barrels of crude oil, 348 million cubic feet of natural gas, and 21,000 barrels of natural gas liquids.