MONETISING GAS IN THE GULF OF GUINEA

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AFRICA UPSTREAM 2006
In 1997, Triton licensed Blocks F&G in the Rio Muni Basin, which was then totally unlicensed.

Alba production now with CMS

Blocks A, B, C, D licensed to United Meridian Corp.

Mobil farm-in to Block B

Zafiro discovery, fast-track development

EQUATORIAL GUINEA
Ministry of Mines, Industry and Energy
LICENSING SITUATION 2006

14 UPSTREAM OPERATORS

21 COMPANIES
RECENT PRODUCTION SHARING CONTRACTS

BLOCK R: OPHIR ENERGY

BLOCK S: CNOOC
## 2006 Licence Round Timetable

<table>
<thead>
<tr>
<th>Nº</th>
<th>Activity</th>
<th>Date</th>
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<tr>
<td>1.</td>
<td>Licencing Round Announced</td>
<td>29&lt;sup&gt;th&lt;/sup&gt; March, 2006</td>
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<td>2.</td>
<td>MMIE Data Room (London) Opened</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; May, 2006</td>
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<td>3.</td>
<td>Deadline for Pre-Qualification</td>
<td>31&lt;sup&gt;st&lt;/sup&gt; October, 2006</td>
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<td>4.</td>
<td>List of Pre-Qualified Companies Published</td>
<td>30&lt;sup&gt;th&lt;/sup&gt; November, 2006</td>
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<td>5.</td>
<td>London Seminar (Sheraton Park Lane Hotel)</td>
<td>21&lt;sup&gt;st&lt;/sup&gt; September, 2006</td>
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<td>6.</td>
<td>Houston Seminar (Hilton Post Oak Hotel)</td>
<td>26&lt;sup&gt;th&lt;/sup&gt; September, 2006</td>
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<td>7.</td>
<td>MMIE Data Room Closes</td>
<td>31&lt;sup&gt;st&lt;/sup&gt; October, 2006</td>
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<td>8.</td>
<td>Closing Date for Licence Applications</td>
<td>31&lt;sup&gt;st&lt;/sup&gt; March, 2007*</td>
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<td>9.</td>
<td>Commencement of Bid Evaluation</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; April, 2007*</td>
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<td>10.</td>
<td>Announcement of Successful Bidders</td>
<td>15&lt;sup&gt;th&lt;/sup&gt; April, 2007*</td>
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* Provisional
EQUATORIAL GUINEA
Ministry of Mines, Industry and Energy

PRODUCTION SITUATION 2006

- **CEIBA FIELD**
  - 40,000 bopd
  - 20 mmcfd

- **ZAFIRO FIELD**
  - 240,000 bopd
  - 220 mmcfd

- **ALBA FIELD**
  - Up to 900 mmcfd
  - 65,000 bcpd
  - 23,000 blpgd

- **OKUME COMPLEX DEVELOPMENT**
  - 60,000 bopd, early 2007

Licence Map showing 2006 Licence Promotional Blocks
Annual Oil Production Growth*

* Includes boe Methanol and LNG
OKUME COMPLEX: ELON CPF
OKUME COMPLEX: ELON CPF
OKUME COMPLEX: OVENG TLP AND TENDER ASSISTED DRILLING UNIT
ALBA FIELD DEVELOPMENT HISTORY

1992: FIRST PRODUCTION (2000 BCPD WITH ALL GAS FLARED)

2001: METHANOL PLANT COMMISSIONED (19,000 BOE METHANOL)


2005: PHASE 2B DEVELOPMENT PLAN (LPG PLANT EXPANSION PROJECT – ROUTINE GAS FLARING CEASES)

2004: CREATION OF EQUATORIAL LIQUIFIED NATURAL GAS COMPANY (EGLNG)

2007: LNG TRAIN 1 COMMENCES PRODUCTION
Alba—More than Gas
*Long life, high value legacy asset*

- Gas to LNG
- Gas to Methanol
- LPG
- Condensate

→ *Positioning EG for tomorrow*

Source: Wood Mackenzie
Positioning EG for Tomorrow

The LNG race to market

- **Algeria**: 160 TCF LNG
  - Now: 22 mtpa
  - Future: 24 mtpa

- **Nigeria**: 124 TCF LNG
  - Now: 6 mtpa
  - Future: 18 mtpa

- **Equatorial Guinea**: >7 TCF LNG
  - Now: 0 mtpa
  - Future: 3.4 mtpa

- **Libya/Sirte Basin**: 46 TCF LNG
  - Now: 0 mtpa
  - Future: 10 mtpa

- **Egypt/Nile Delta**: 58 TCF LNG
  - Now: 0 mtpa
  - Future: 12 mtpa

- **Angola**: >10 TCF LNG
  - Now: 0 mtpa
  - Future: 8 mtpa

- **Arctic Gas**: 35 TCF
  - Now: 0 BCF/Y
  - Future: 5 BCF/Y

- **Qatar LNG**: >900 TCF
  - Now: 7 mtpa
  - Future: >20 mtpa

Source: Deutsche Bank reports, BP World Energy Review

**LNG Philosophy**

- Competition is mounting—EG could be well positioned for key markets
EGLNG
OCTOBER 2006
The Equatorial Guinea Solution: Gas Utilisation

- Zafiro: EGLNG
- Ceiba / Okume Complex: Power Generation
- Block O: EGLNG
- Block P: LPG / Power Generation
- Government policy is to eliminate all flaring by 2008
FLARING IN THE GULF OF GUINEA
OPPORTUNITY FOR FLARING REDUCTION

MAIN FLARE CENTERS:
- NIGERIA: 700 BCF/Y
- CAMEROON: 45 BCF/Y
- EQUATORIAL GUINEA: 70 BCF/Y
Value proposition:

- Monetize otherwise flared or injected gas
- Capture Area: 100 – 160 km around Punta Europa
- Start up: Third quarter 2007
- Additional value - Monetize Stranded Gas

Requirements:

- Regional Governments agreements on:
- Cross Border Exports
- Appropriate legal and fiscal regulatory framework
Thank you for your attention...