

MYANMAR
OIL AND
GAS
UPSTREAM
2013



MYANMAR UPSTREAM OIL AND GAS 2013 SUMMIT

Facing Oil and Gas Demand Challenges in Myanmar

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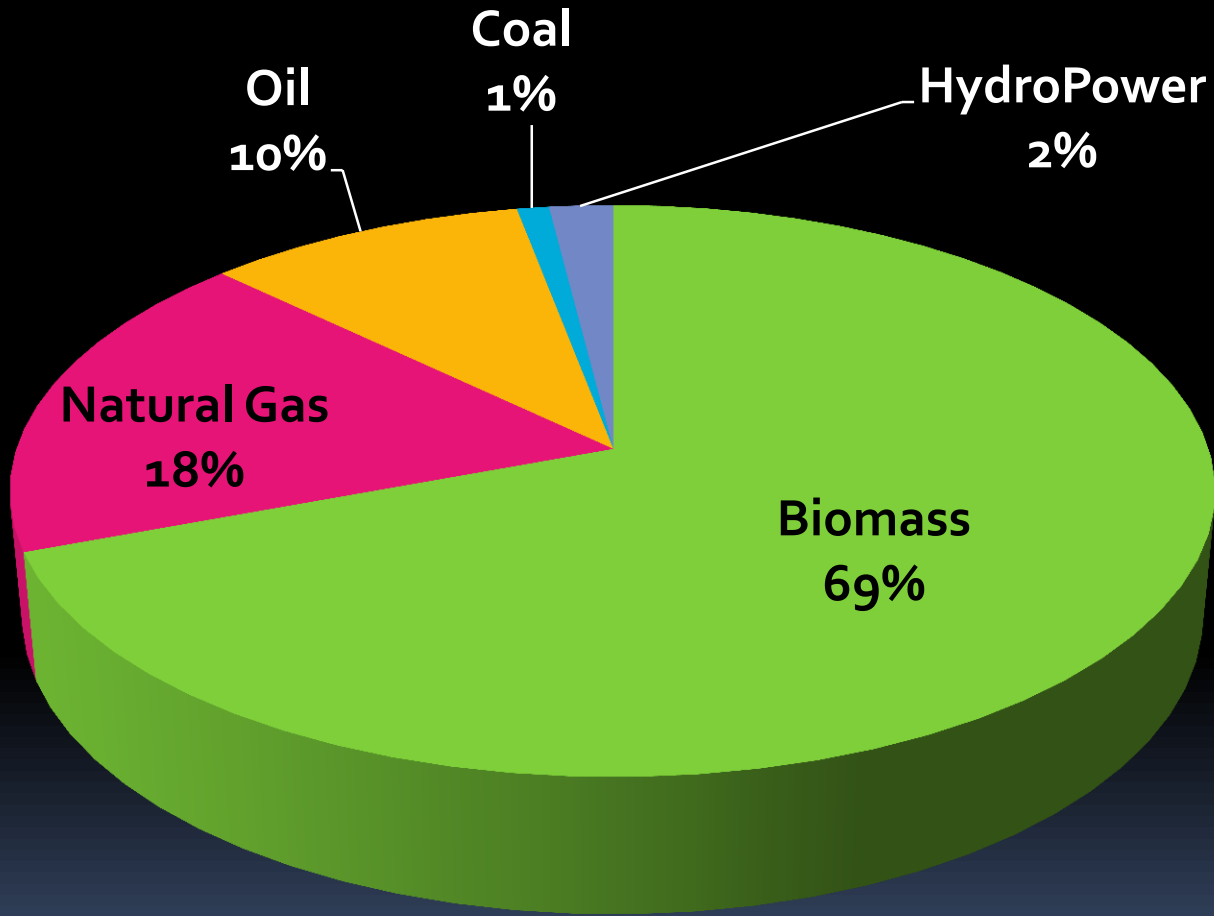
The Republic of the Union of Myanmar

Myanmar in Brief



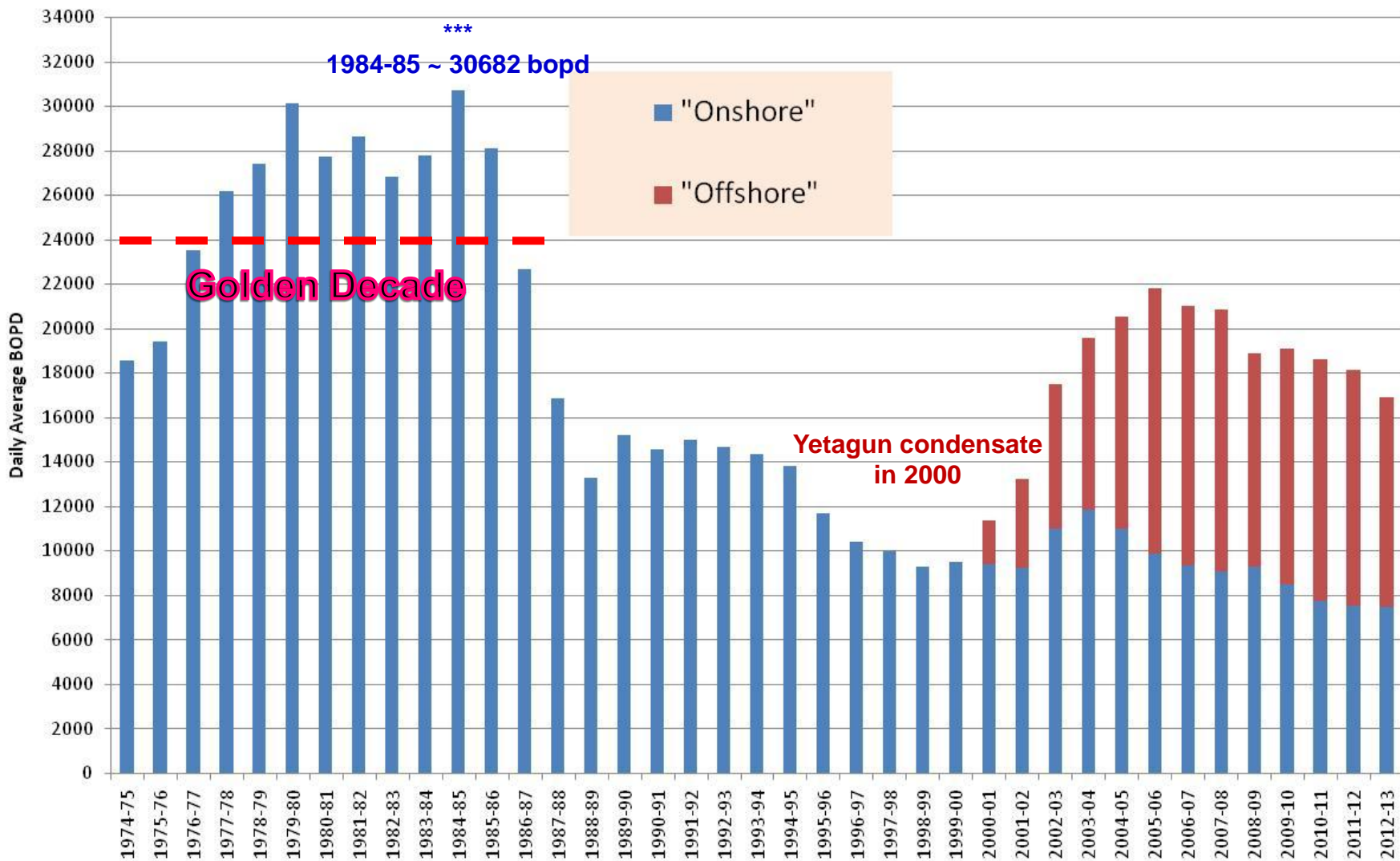
- Myanmar is the second largest nation in South-East Asia
- Total area is 676,577 square kilometers
- Coastal strip is 2832 kilometers
- Population is about 60 million

Myanmar Energy Mix



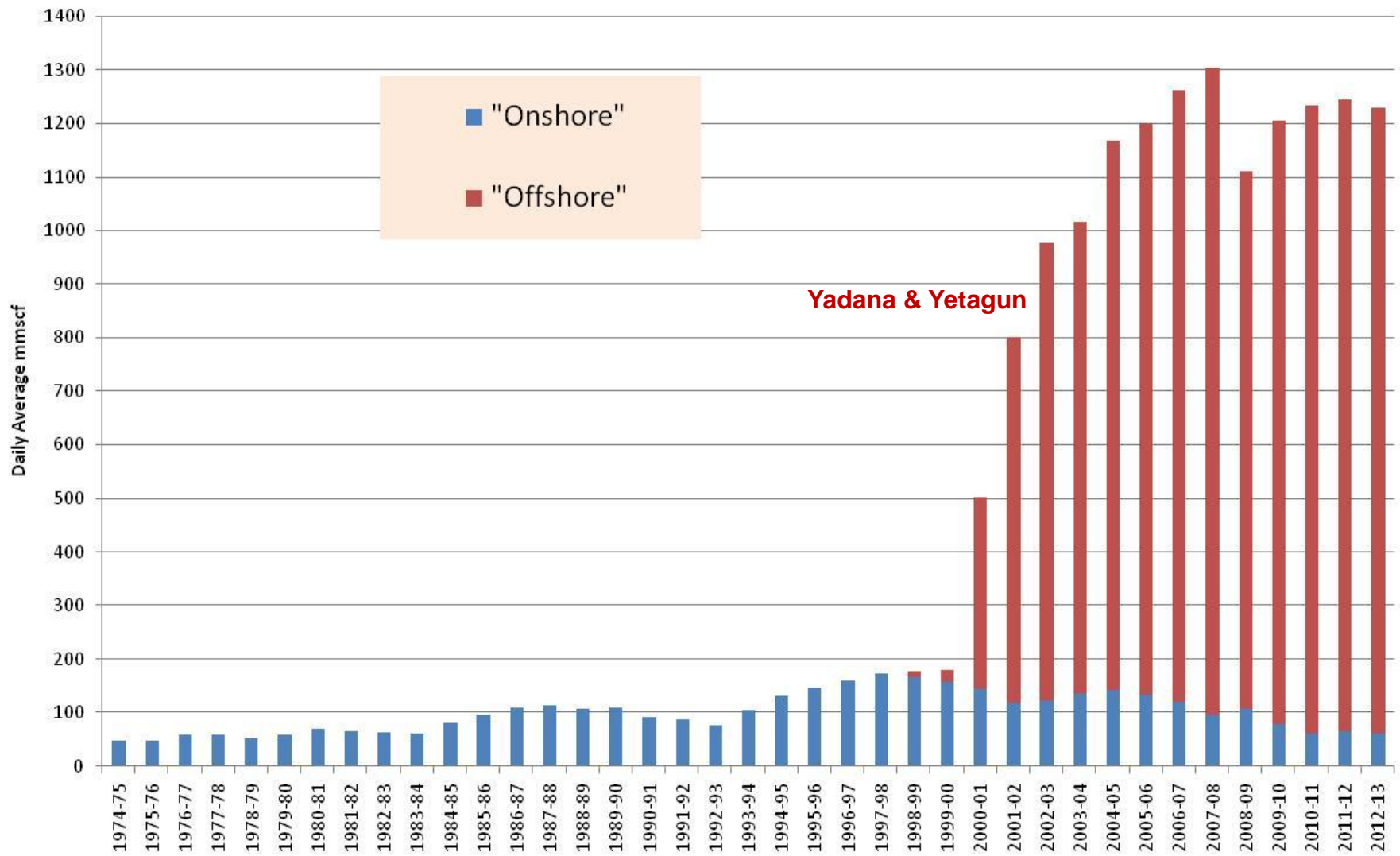
Oil and Gas Production History of Myanmar - Oil

Crude Oil Production History of Myanmar



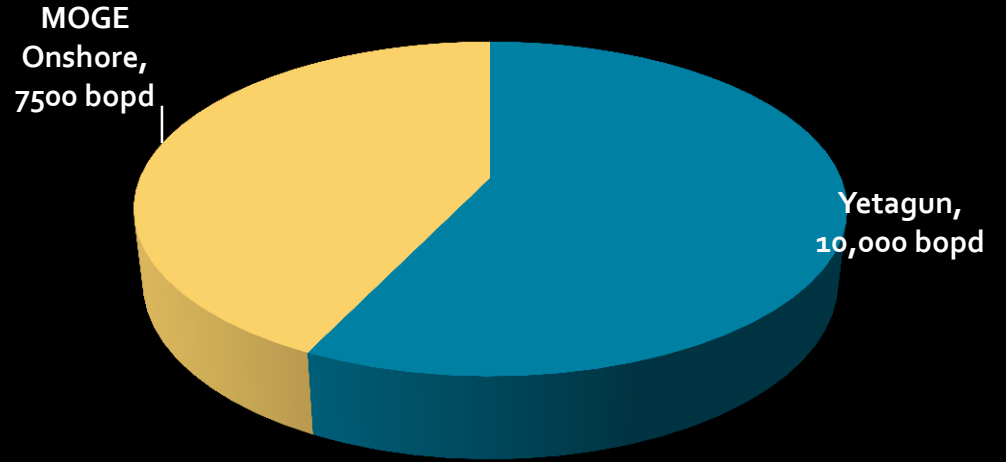
Oil and Gas Production History of Myanmar - Gas

Natural Gas Production History of Myanmar

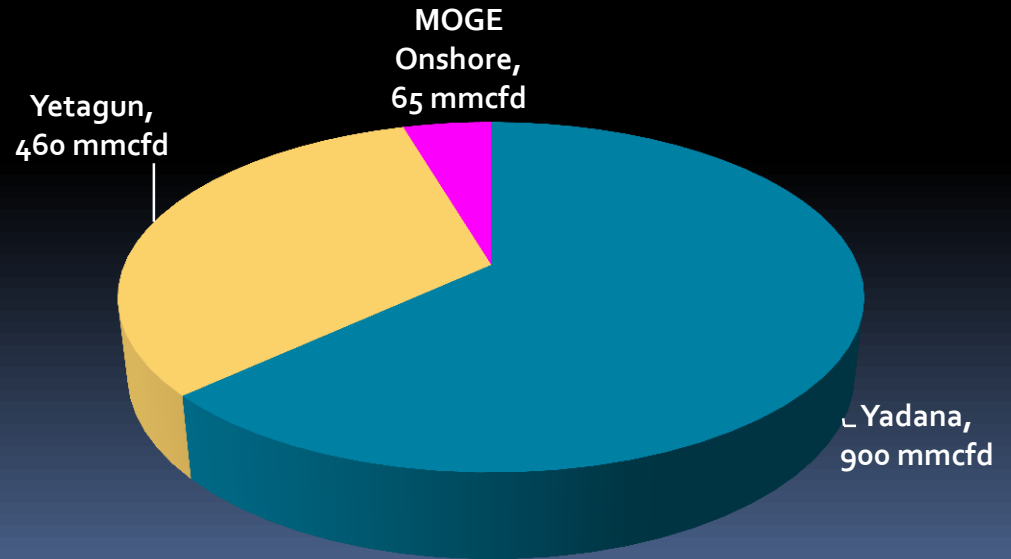


Current Oil and Gas Production

Current Oil Production

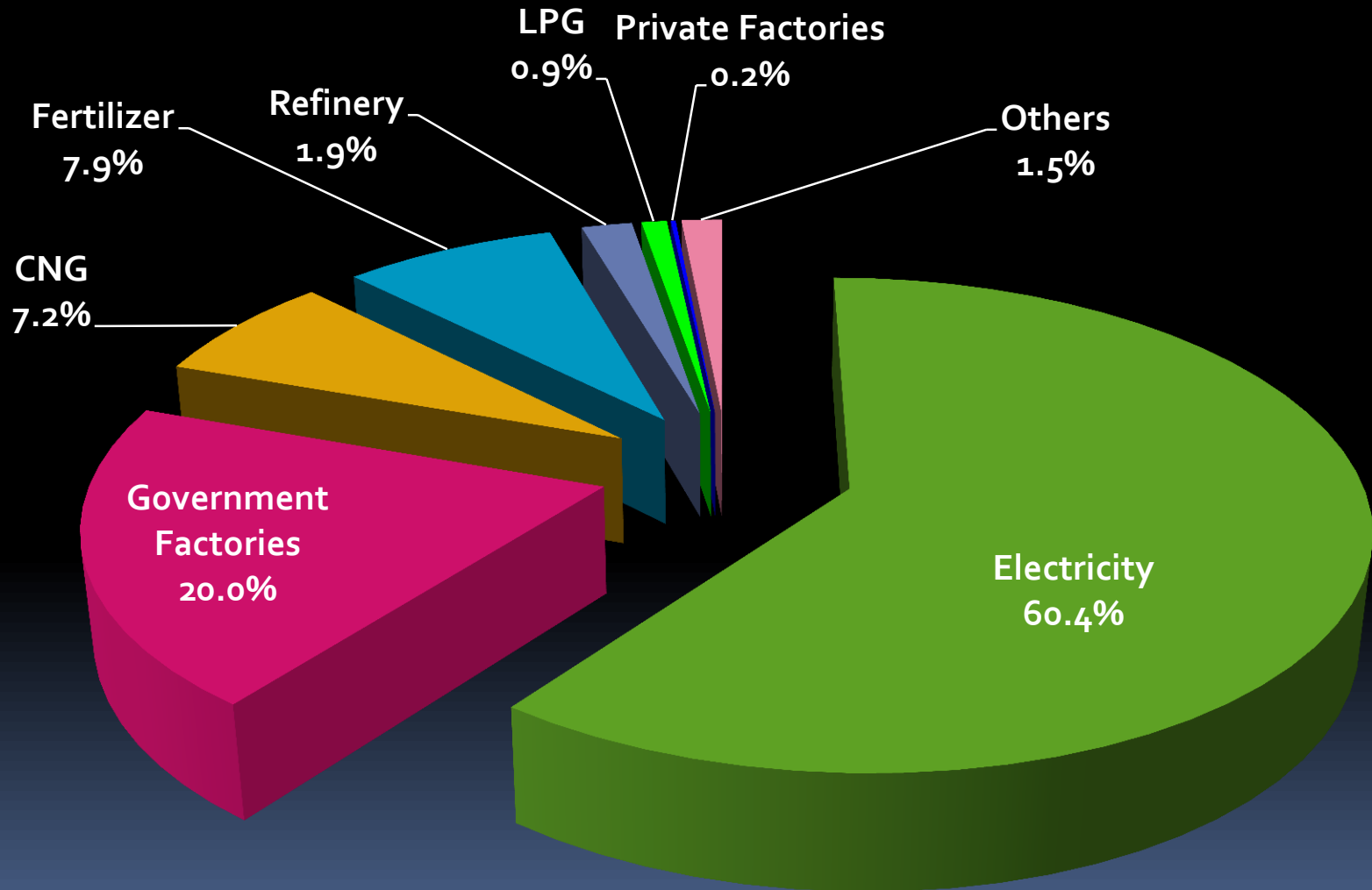


Current Gas Production



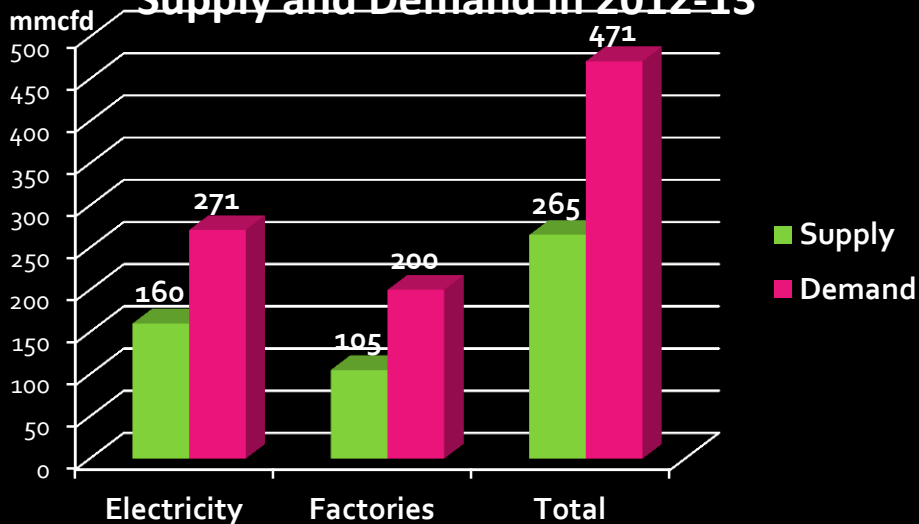
Natural Gas Supply

Sector-wise Supply in 2012

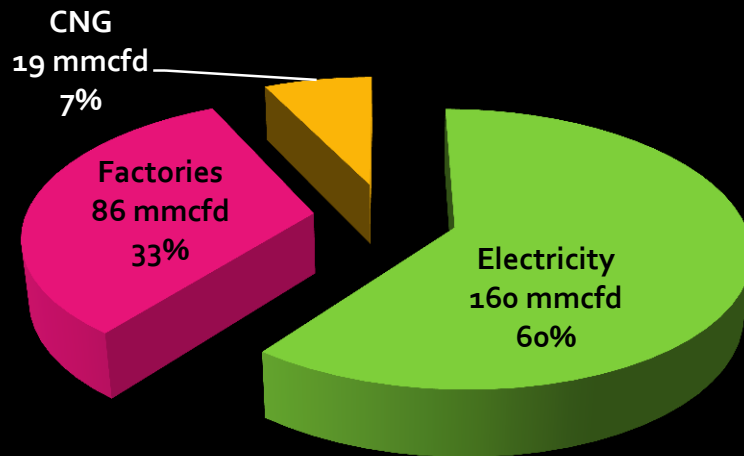


Natural Gas Supply and Demand

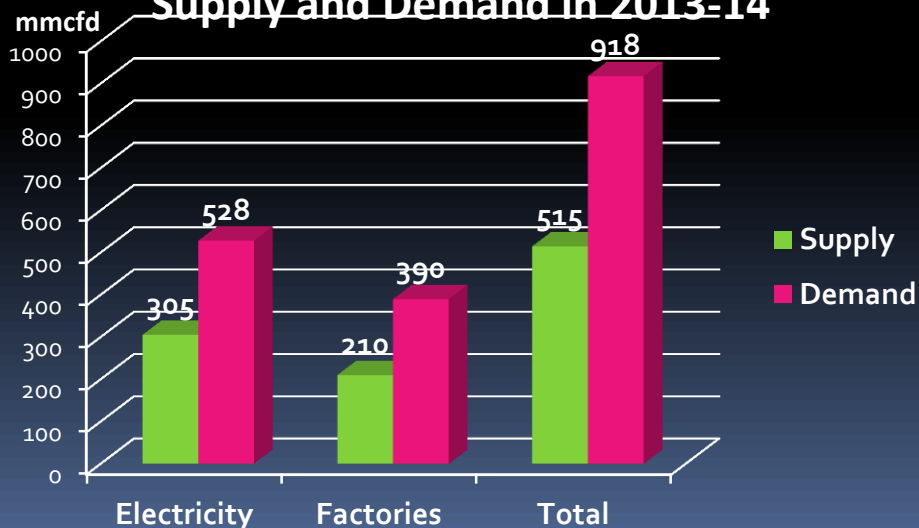
Supply and Demand in 2012-13



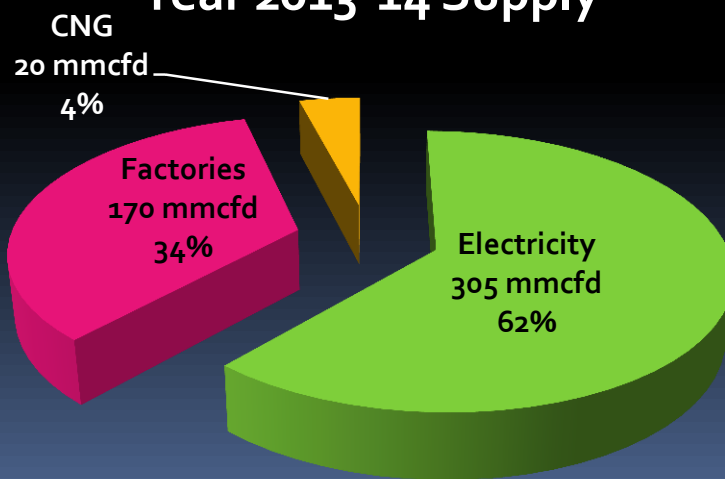
Year 2012-13 Supply



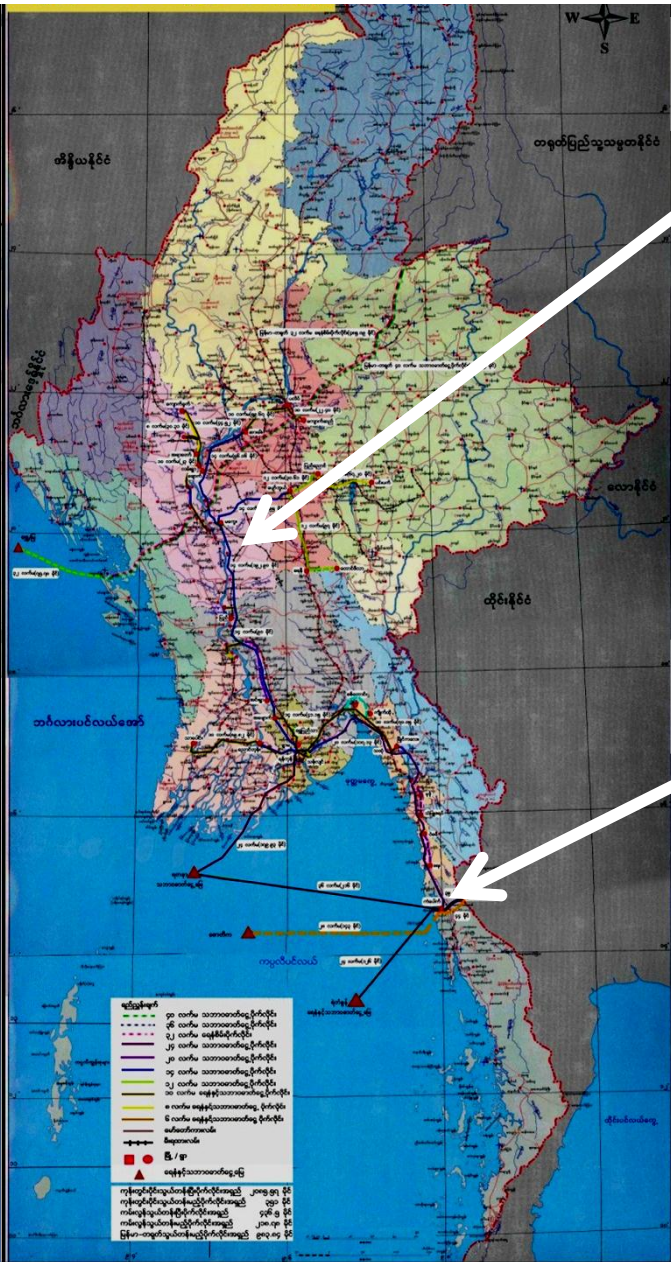
Supply and Demand in 2013-14



Year 2013-14 Supply



National Pipeline Network



Domestic Pipeline

- MOGE has been laying the pipes throughout Myanmar to expand its national pipeline network.
- Various sizes from 6" to 24" of pipeline were constructed.
- Total length is about 2278 miles

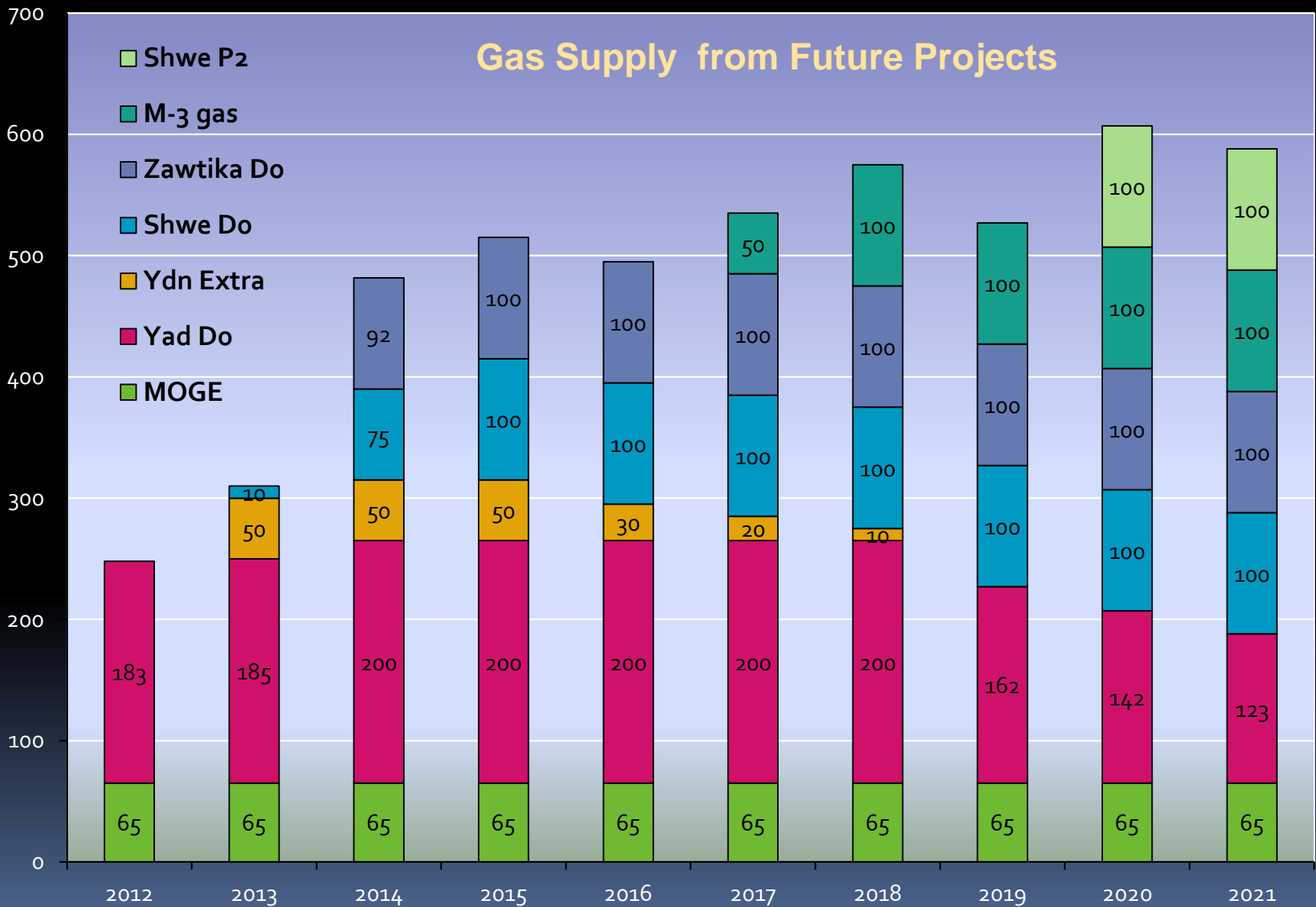
Export Pipeline

	<u>Offshore</u>	<u>Onland</u>
• Yadana(36")	216 miles	39 miles
• Yetagun (24")	126 miles	43 miles
• Zawtika (28")	143 miles	42 miles
• Shwe (32")	65 miles	3 miles
• China-Myanmar(40") (Gas)	nil	495 miles
• China-Myanmar(32") (Oil)	nil	481 miles

Gas Pricing Structure

- Price formula is indexed on U.S inflation rates and fuel oil price.
- Average gas price for Jan 2013 is 12.36 US\$ per 1 million btu.
- Approximately, current Yadana Gas price is about 8,650 USD per mmcf.
- it is subsidized on the price of gas at 5 US\$ per mmbtu.
- For foreign companies, the price is set at US\$ 6.06 per thousand cubic feet
- for Myanmar nationals 1,000 kyats per 165 cubic feet.
- CNG, a fuel substitute, is sold at a price of 1000 kyats per 165 cubic feet.

Gas Supply Forecast



Conclusion

- Natural gas demand is expected to be higher than crude oil.
- From signing PSC contract till commercialization, it takes at least one decade (10 years).
- Early commercialization is possible in onshore blocks.
- Offshore and deepwater exploration must follow current onshore bidding round.
- New discoveries will be prioritized towards domestic supply.
- More huge discoveries are needed sustainable energy supply or Energy Security.



Thank you

only if we start now, Energy Security can be a possibility
within next ten years