

# Gazprom Neft Still Counts on Libya

By [The Moscow Times](#)

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Gazprom Neft, Russia's No.5 crude producer, said it still hoped to return to Libya where its deal to buy a stake in the Elephant oil project from Italian group Eni was halted by the ongoing civil war.

The conflict in Libya has almost shut down output in what used to be Africa's third-largest producer, helping send oil prices to 2 1/2 year highs and forcing Eni and Gazprom Neft to put their deal on hold.

Boris Zilbermint, deputy head of Gazprom Neft, the oil arm of Gazprom, said in an interview that the company will return to Libya once the war is over.

"We still hope that when the situation in Libya stabilizes we will return to the Elephant project. ... We sit and wait, we had great plans for Libya," he said.

In February, Gazprom agreed to buy half the 33.3 percent stake in the Elephant oil field held by Eni, valuing Gazprom's future stake at about \$170 million. The agreement was a part of a

strategic partnership signed between Eni and Gazprom in 2006, with the aim of jointly developing energy projects. But last month, Eni said the agreement was postponed because of the war.

Zilbermints said the company wanted to increase its total output by 5 million to 10 million tons of oil equivalent, or about 100,000 to 200,000 barrels per day, thanks to newly acquired assets.

Gazprom Neft plans to increase its resource base to meet an output goal of 100 million tons a year by 2020, up from about 60 million.

Zilbermints said Gazprom Neft was in talks with Shell on a number of projects, both upstream and downstream, in Russia and abroad, adding that the company needed international majors' experience in offshore drilling and liquefied natural gas production, echoing Shell's comments.

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