

Chevron Discussing Arctic Oil Role

By [The Moscow Times](#)

March 01, 2012



Nenets are people indigenous to Russia's Far North tundra region, where Arctic oil shelf exploration is based. **Anton Golubev**

U.S. oil major Chevron has met a Russian government official to discuss possible participation in tapping vast Arctic oil reserves, which are currently off-limits for nonstate corporations, the Natural Resources and Environment Ministry said Thursday.

The statement came a day after Prime Minister Vladimir Putin said he intended to free up access to the northern offshore fields.

"Your country owns giant reserves, and absence of significant projects in the Russian Federation is a huge gap in our portfolio," Andrew McGrahan, president of Chevron Neftegaz, a Chevron affiliate, was quoted as saying by the ministry at the meeting Wednesday.

"Chevron is interested in working at Russia's offshore [reserves]," a Chevron spokeswoman in Moscow said.

McGraham met Denis Khramov, deputy natural resources and environment minister, to discuss the "investment climate and tax regime improvement for oil companies in Russia," the ministry said.

Khramov said the government is working on legislation reforms, which foresee additional tax benefits to insure investment returns.

"All the proposals are stipulated in the program of continental shelf development till 2030, prepared by the ministry," Khramov was quoted as saying.

He added that the program would be discussed by the government in the second quarter. It is, however, unclear what shape the government will take after the presidential election on March 4.

Putin is highly likely to win the election, according to public opinion polls. He said Wednesday that the existing law, which limits Arctic oil and gas development to state-owned Gazprom and Rosneft, hampers output.

A relaxation of tough Russian laws on foreign investment in strategic mineral fields and offshore hydrocarbon resources — estimated at more than 100 billion tons of oil equivalent — has long been sought by foreign investors.

Chevron's main activity in the former Soviet Union is participation in the Caspian Pipeline Consortium, which connects Kazakhstan's Caspian Sea oil deposits with the Russian Black Sea port of Novorossiisk.

Original url: <https://www.themoscowtimes.com/2012/03/01/chevron-discussing-arctic-oil-role-a13002>