

Rosneft Coming to America in Deal With Exxon

By [The Moscow Times](#)

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State oil firm Rosneft will gain access to North American energy sources and know-how for developing hard-to-produce reserves when it finalizes a joint venture with ExxonMobil on Monday, industry sources said.

Rosneft was offered a role in seven ExxonMobil projects under its landmark deal last year with the biggest U.S. oil company, which could open up 36 billion barrels of oil in the Arctic offshore and help keep Russia's place as the world's top producer.

Rosneft chose three to start. Two industry sources with knowledge of the deal said they were La Escalera Ranch, a tight-oil project in west Texas, a drilling venture in the Cardium shale in Canada's province of Alberta and 20 fields in the U.S. Gulf of Mexico out of the 144 operated by ExxonMobil.

Sources said they would gain minority interests in the projects.

Rosneft's focus in North America will be on so-called unconventional hydrocarbons — including resources such as shale oil and shale gas — which cannot be accessed with conventional vertical drilling. It will seek to deploy the advanced recovery methods used at its own fields in Siberia.

Deputy Prime Minister Igor Sechin will present the project to analysts with Exxon CEO Rex Tillerson and Rosneft head Eduard Khudainatov on Wednesday in New York, according to an invitation to the event.

The two-hour meeting will also include a Rosneft presentation on the Russian oil industry, a posting on Exxon's website said.

Under the terms of the deal, initialed in August 2011, the two will also look at joint development of tight oil in western Siberia, where production of conventional oil is in decline.

Russian oil companies have little experience in tight oil but look to U.S. technologies as an example of what is possible at home.

Rosneft has said that it could have more than 2.5 billion tons of oil in the shales of the so-called Bazhenov formation at its West Siberian conventional fields.

Analysts say the Siberian tight oil, held in non-porous rock, might be brought to production sooner than the three offshore blocks in the challenging environment of the Arctic Kara Sea that Rosneft and Exxon plan to explore.

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