

Report: Gazprom Considering Role in New Israeli Offshore Project

By [The Moscow Times](#)

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Moscow-based Gazprom is the sole exporter of Russian gas by law. **Sergei Porter**

Gazprom said it is continuing to study opportunities to participate in energy projects in Israel after a report it may enter the Leviathan project.

The gas giant declined to comment on any specific projects in an e-mailed response to questions Monday.

The Russian gas producer is among the companies that the group developing the Leviathan offshore gas field is considering for strategic partners, Israeli financial newspaper Globes reported Sunday, without saying where it got the information. France's Total is also a contender, the newspaper reported.

Noble Energy discovered Leviathan in Israel's deep waters in 2010 and said in April that it's looking for a partner for the field, which is estimated to hold as much as 20 trillion cubic feet

of gas, more than the U.K.'s remaining reserves. The partners in Leviathan also include Ratio Oil Exploration 1992, Delek Group's Delek Drilling and Avner Oil Exploration.

"We reiterate our cautious view on the international expansion of Russian oil and gas companies, as they are better-positioned for doing business in Russia than abroad," Moscow-based analysts at VTB Capital, led by Dmitry Loukashov, said in a note Monday. "We also believe that given weak demand for natural gas in Europe, participation in the new project might lack economic justification."

Gazprom has been struggling to increase shipments to Europe, its biggest market by revenue, after the economic downturn cut demand and the continent looked at alternative sources from Norway and Qatar.

Separately, Gazprom's marketing unit in March signed an initial deal to buy liquefied natural gas from fields discovered off Israel's Mediterranean coast.

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