

East Asian Countries Look Decrease Oil Dependency with Shale

By [The Moscow Times](#)

July 26, 2013

The  Moscow Times

East Asian countries are trying to reduce their dependency on imported oil by developing their own production using shale technology, a news report said Friday.

Japanese and Chinese companies are increasingly interested in testing the technology for the development of shale oil deposits on their territory, while Japan even tried to experiment with extracting natural gas from gas hydrates on the seabed, Kommersant reported.

The Japanese company JAPEX announced Thursday it will begin shale oil production in the north of the country in 2014. First shale oil was produced in that region in the autumn of 2012. The total volume of shale oil reserves in the Akita deposit is estimated at 5 million barrels, which constitutes about 10 percent of Japan's annual demand. JAPEX hopes to develop the technology to use in other countries: beside the Akita field the company also has rights to deposits in Indonesia, Iraq and Canada.

Japan allocated 1 billion yen (\$10 million) on research in that field this year after beginning to look for deposits in the Sea of Japan last year. Currently Japan imports about 80 percent of the oil it needs from Saudi Arabia and other Middle East countries, the report said.

Meanwhile, China, which has third largest deposits of shale oil in the world, has also been trying to apply the technology for their own development, as they are estimated to have 32.2 billion barrels in shale oil reserves.

According to China Daily, state corporation PetroChina and U.S. company Hess Corporation have signed an agreement to produce shale oil in the Xinjiang Uyghur Autonomous Region in the country's northwest.

China significantly increased domestic oil and gas production in the last year. In June, the country produced 4.26 million barrels of oil per day, 7.5 percent more than in the same period last year. At the same time, China imports 5.39 million barrels of oil every day.

Original url:

<https://www.themoscowtimes.com/2013/07/26/east-asian-countries-look-decrease-oil-dependency-with-shale-a26197>