

Total Wants in on Tight Oil

By [The Moscow Times](#)

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French energy major Total is in talks to join "tight" or hard to access oil projects in Russia, which by some estimates hold the world's largest unconventional oil reserves, a Total executive said Tuesday.

Russia, the world's largest oil producer, is offering tax relief to boost investments in costly offshore, heavy oil or tight oil production in a bid to sustain output above 10 million barrels per day.

The U.S. Energy Information Administration estimates Russian recoverable shale oil reserves at 75 billion barrels, more than the 58 billion barrels held by the U.S., current leader in shale oil production.

Yves-Louis Darricarrere, Total's upstream president, told Kommersant in an interview that the French company was interested in Russian shale gas prospects but more in shale oil projects.

"We are open to any options: joining a license already held by a Russian company or buying a field in a partnership with a Russian company," he said without elaborating further.

Most Russian oil companies, including Rosneft, LUKoil, Surgutneftegas and Gazprom Neft, are already studying unconventional oil prospects as a source for future production, as existing West Siberian fields are depleting.

Royal Dutch Shell, Exxon Mobil and Statoil have also tied up with Russian partners to develop unconventional oil reserves, now the target of special tax relief.

The Energy Ministry hopes the new law will boost the share of tight oil production to 11 percent of the Russian total by 2020, up from 0.2 percent now.

Total is a shareholder with Novatek, Russia's second largest gas producer, in the \$20 billion Yamal LNG project. It holds stakes in Russia's Kharyaga oil field, the Termokarstovoye gas condensate fields and the offshore Shtokman gas field.

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