

“The developments and planning in Cyprus EEZ in relation to the exploration and exploitation of hydrocarbons reserves”

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LEGAL FRAMEWORK



Legislation

- *The Hydrocarbons (Prospection, Exploration and Exploitation) Laws of 2007 to 2015 (L.4(I)/2007, L.126(I)/2013, L.29(I)/2014 και L.186(I)/2015)*
- *The Hydrocarbons (Prospection, Exploration and Exploitation) Regulations of 2007 to 2019 (P.I. 51/2007, P.I. 113/2009, P.I. 576/2014 και P.I. 248/2019)*
- *The activities pertaining to hydrocarbons prospection, exploration and exploitation are also subject to the general national legislation on taxation, environmental protection, health and safety.*

Model Agreement

- *The Exploration and Production Sharing Contracts (EPSCs) govern the exploration and exploitation activities.*

Hydrocarbon Exploration License

- *Granted initially for 3 years; possibility for 2 renewals of up to 2 years each*
- *On each renewal, 25% of the initial area is relinquished*

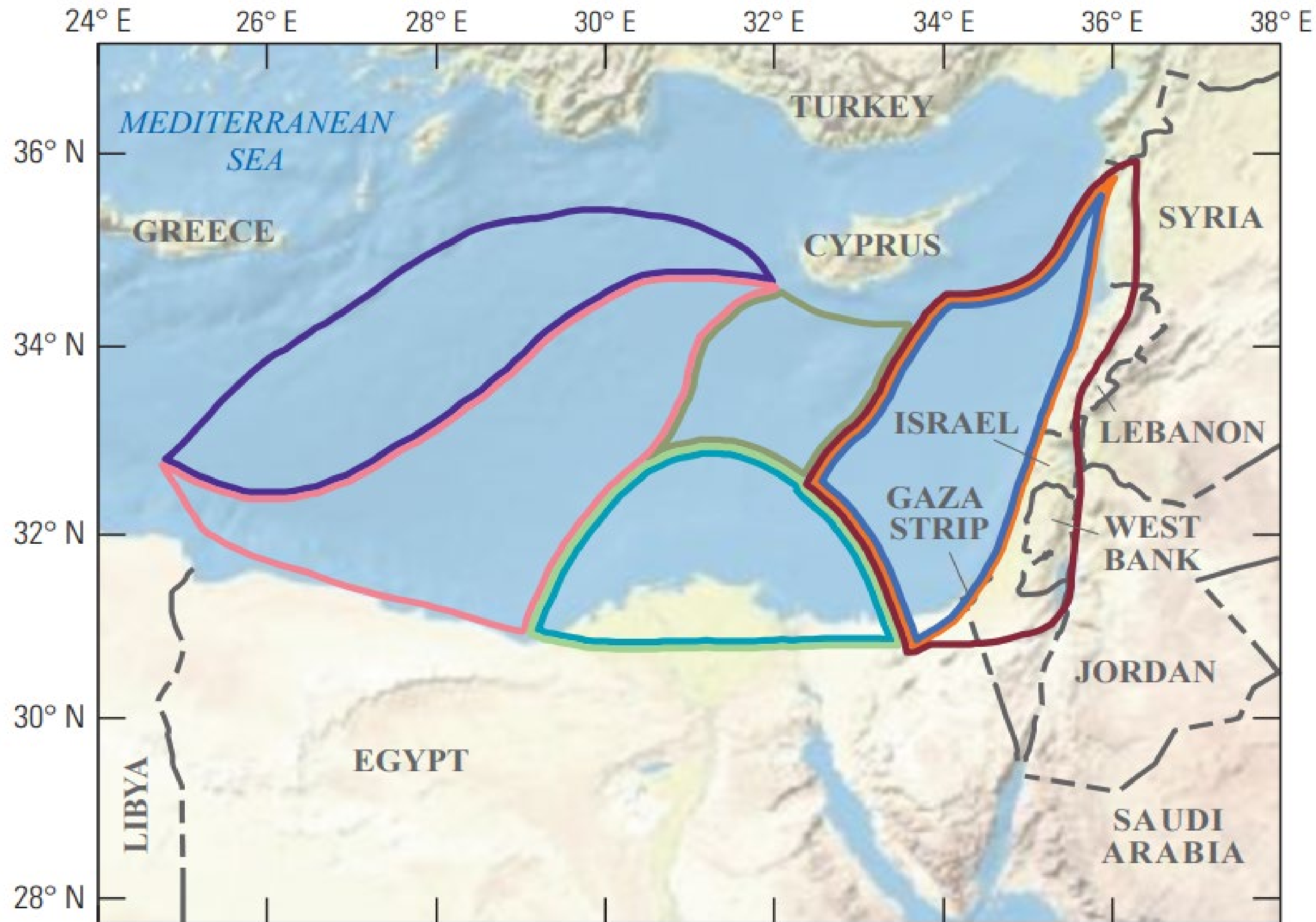
Hydrocarbon Exploitation License

- *Granted for an initial period of up to 25 years; ability for one renewal of 10 years*



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EASTERN MEDITERRANEAN HYDROCARBONS POTENTIAL



According to a study by the U.S. Geological Survey (Fact Sheet 2021-3032), the estimated undiscovered, technically recoverable mean resources in the Eastern Mediterranean area are:

- 880 million barrels of conventional oil
- 286 trillion cubic feet of conventional gas

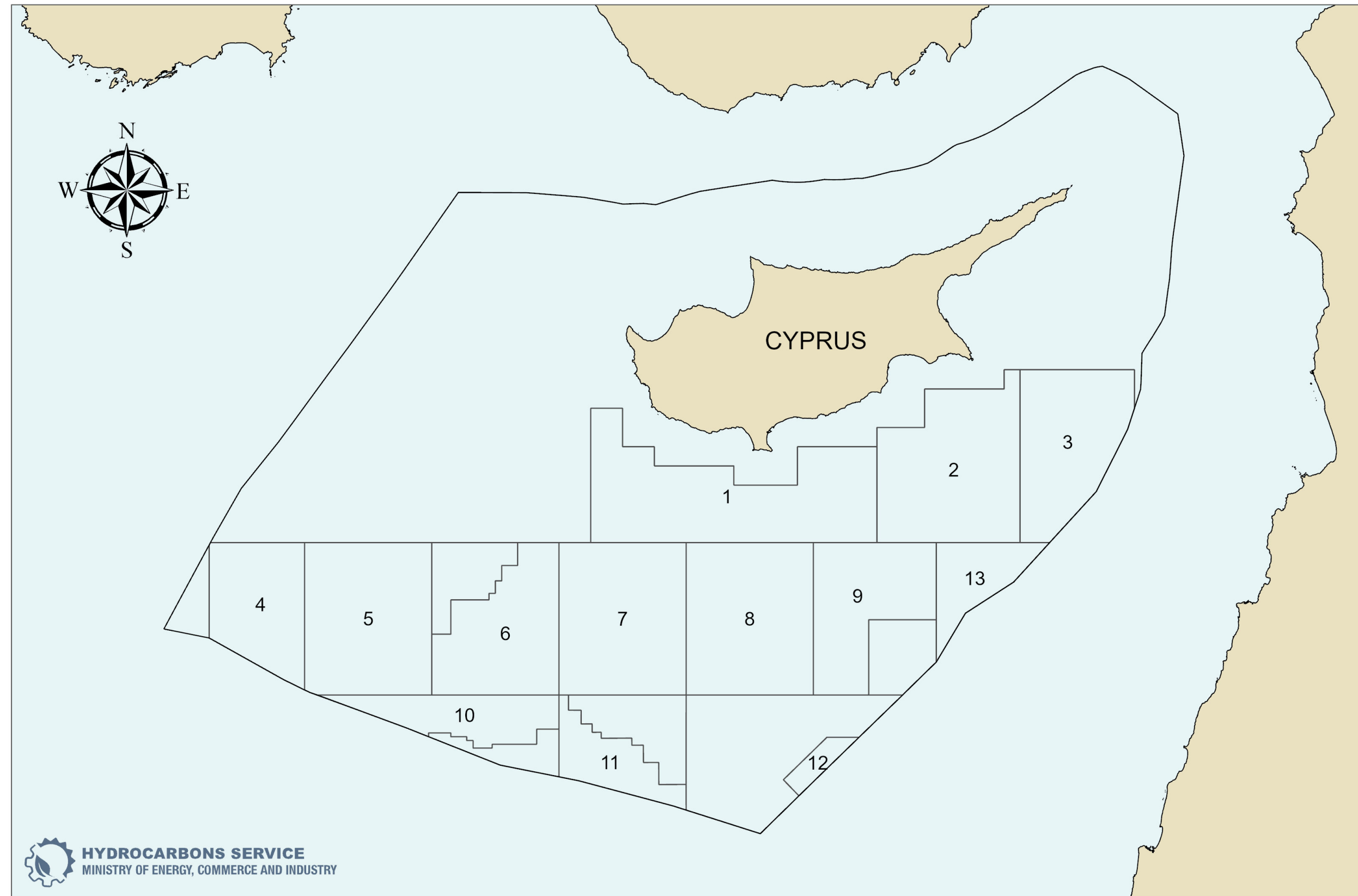


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EXPLORATION BLOCKS



Offshore Cyprus Exploration and Exploitation Blocks



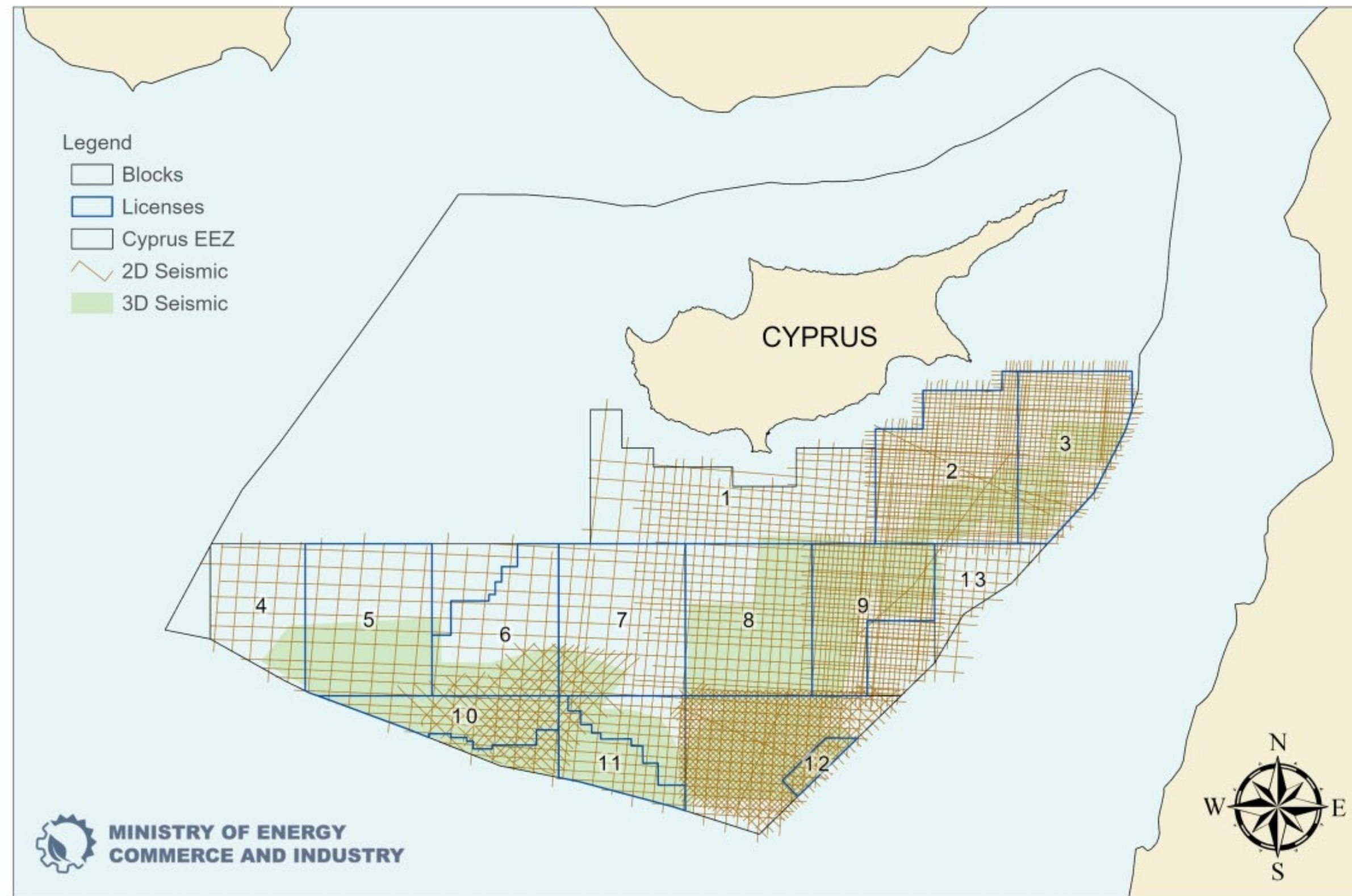
MECI241007BG



AVAILABLE DATA



Seismic Surveys Offshore Cyprus



MECI230103S

Multi-client Geophysical Data

- 2006 - 2D seismic survey (MC2D-CYP 2006), 6,770 line-km
- 2007 - 3D seismic survey (MC3D-CYP2007), 659 sq. km
- 2008 - 2D seismic survey (MC2D-CYP2008), 12,266 line-km
- 2013 - 3D seismic survey (MC3D-CYP2013), 2,280 sq. km
- 2016 - 3D seismic survey (MC3D-CYP2016), 5,201 sq. km
- 2017 - 3D seismic survey (MC3D-CYP2017), 4,780 sq. km
- 2023 - Cyprus Vision 3D reprocessing project, 19,126 sq. km

Licensees

- 2D seismic surveys, 12.500 line-km
- 3D seismic surveys, 11.500 sq. km



HYDROCARBONS EXPLORATION LICENCES



1st Licensing Round (2008)

- Block 12: Noble Energy – now Chevron (35%), Delek now NewMed Energy (30%) and BG now Shell (35%)

2nd Licensing Round (2013)

- Blocks 2, and 9: Eni (60%), TotalEnergies (20%) and Kogas (20%)
- Block 3: Eni (50%), TotalEnergies (30%) and Kogas (20%)
- Block 11: TotalEnergies (50%) and Eni (50%)

3rd Licensing Round (2017)

- Block 6: Eni (50%) and TotalEnergies (50%)
- Block 8: Eni (60%) and TotalEnergies (40%)
- Block 10: ExxonMobil (60%) and Qatar Energy (40%)

Licensing Process for Block 7 (2019)

- Block 7: TotalEnergies (50%) and Eni (50%)

Licensing Process for Block 5 (2021)

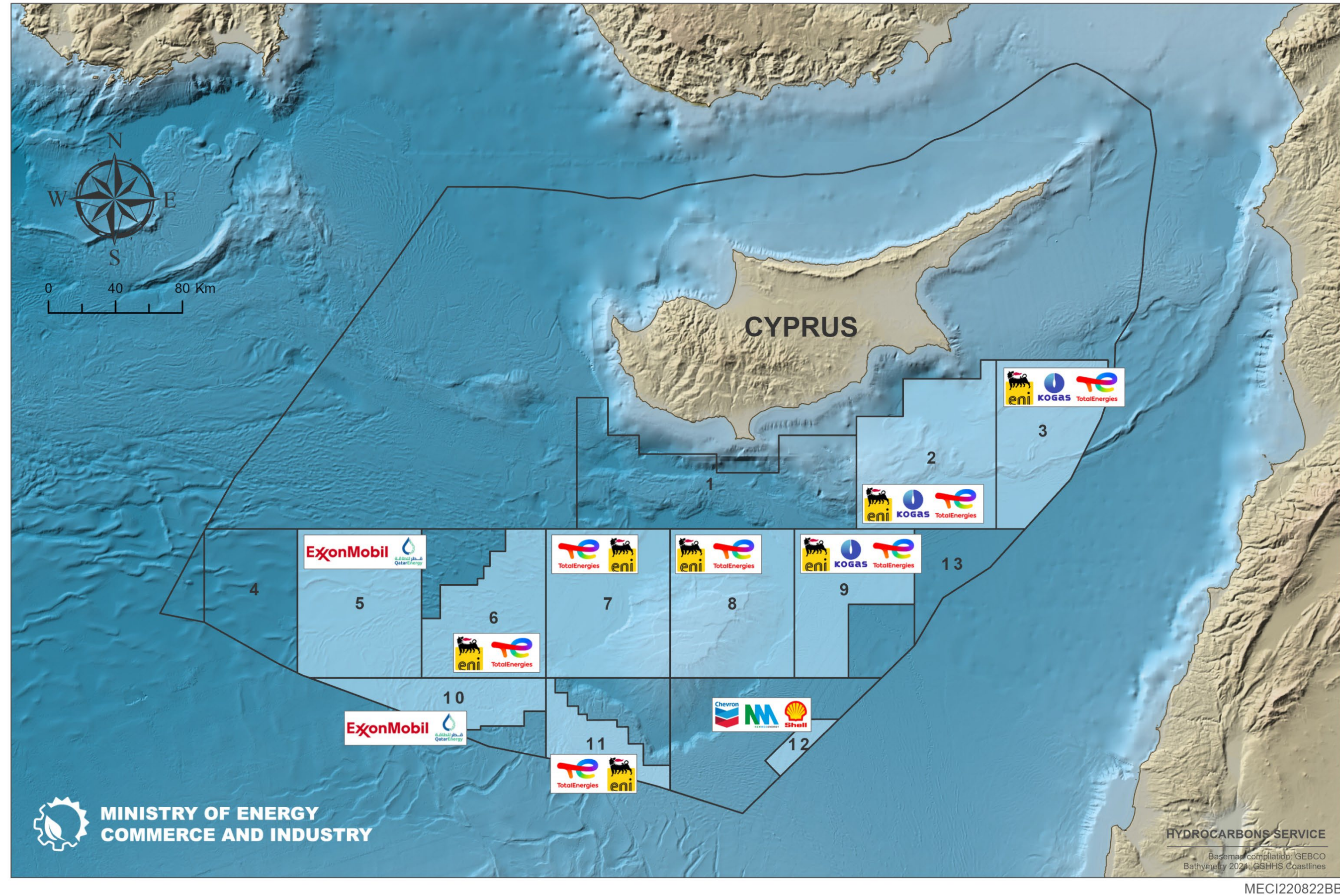
- Block 5: ExxonMobil (60%) and QatarEnergy (40%)



HYDROCARBONS EXPLORATION LICENCEES



REPUBLIC OF CYPRUS Offshore Exploration and Exploitation Licenses



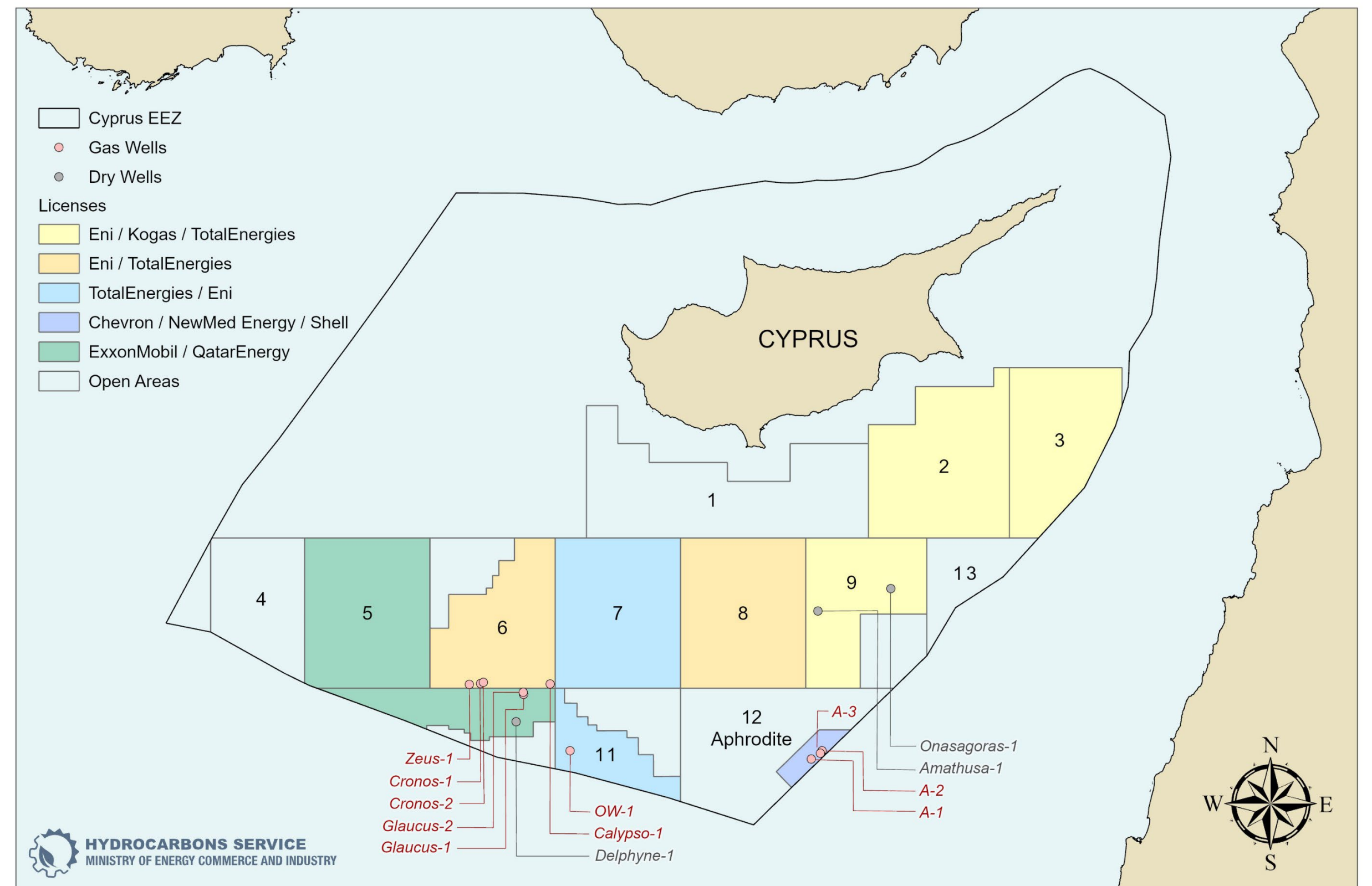
EXPLORATION WELLS IN CYPRUS EEZ



Nine exploration and four appraisal wells

1. Block 12: Aphrodite (2011) – Discovery
2. Block 12: Aphrodite 2 (2013) – Appraisal
3. Block 9: Onasagoras (2014) – Dry
4. Block 9: Amathusa (2015) – Dry
5. Block 11: Onesiphoros (2017) – Technical Discovery
6. Block 6: Calypso (2018) – Discovery
7. Block 10: Delphyne (2018) – Dry
8. Block 10: Glaucus (2019) – Discovery
9. Block 6: Cronos (2022) – Discovery
10. Block 6: Zeus (2022) – Discovery
11. Block 10: Glaucus 2 (2022) – Appraisal
12. Block 12: Aphrodite 3 (2023) – Appraisal
13. Block 6: Cronos 2 (2024) – Appraisal

Exploration Wells Drilled Offshore Cyprus



MECI240513W



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CYPRUS OBJECTIVES FOR HYDROCARBONS DEVELOPMENT



- ❑ *To ensure the optimum development of its natural gas resources,*
- ❑ *To ensure that revenues from any development are equitable and present fair value to the Republic,*
- ❑ *To ensure the timely development to production, and*
- ❑ *To ensure that the Cypriot domestic market is taken into account and benefits from the development of Cypriot gas resources.*



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GAS MONETIZATION OPTIONS



Eastern Mediterranean area

- Considered as “frontier area”
- Highly prospective (USGS Fact Sheet 2021-3032), however geologically complex area
- Gas discoveries offer room for synergies between the neighbouring countries

Current state of play in Cyprus

- Presence of “supermajors”
- Significant quantities of discovered gas
- Lack of gas import facilities and exploitation infrastructure
- Low gas demand in domestic market

Pipeline to Egypt is an option for monetization of Cypriot gas

- Synergies with existing infrastructure
- Existing market - need for gas
- Excellent relationship

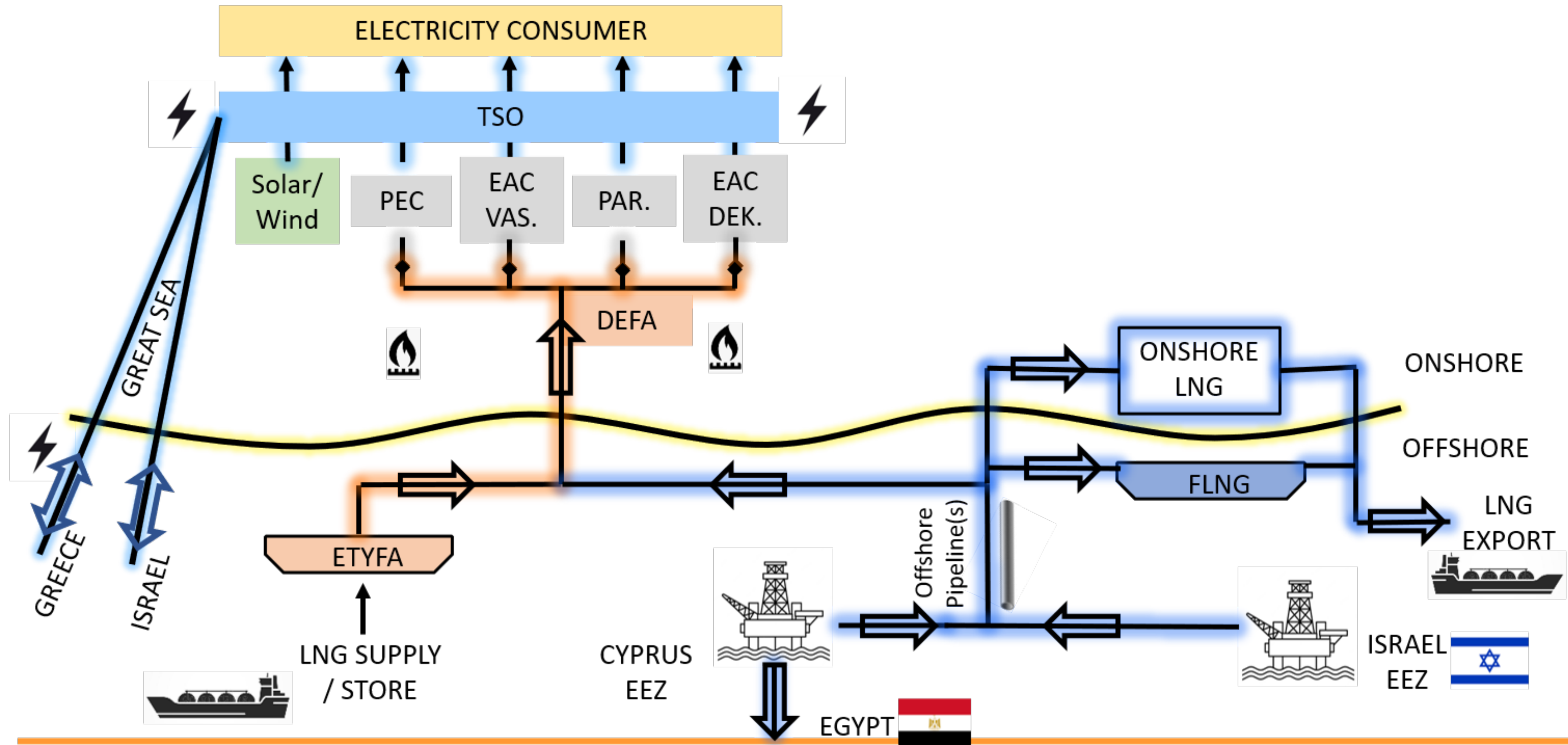
FLNG is another monetization option

- Flexibility of destination, Independent infrastructure

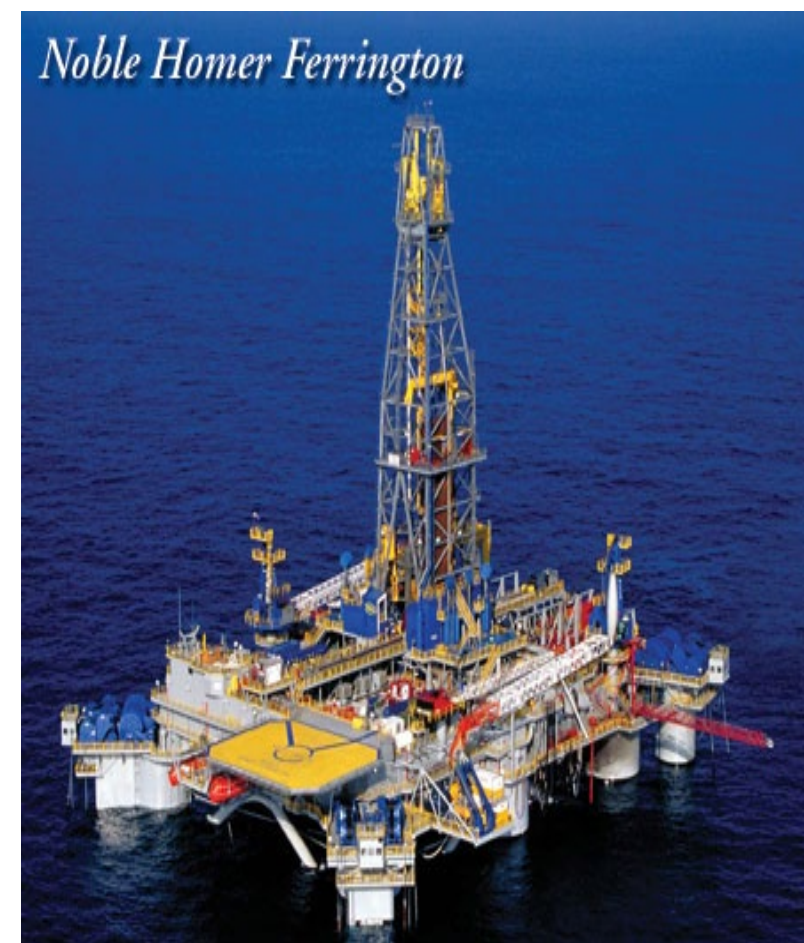


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GAS TO POWER



APHRODITE EXPLOITATION LICENCE



- ❑ *December 2011: Aphrodite Field Discovery*
- ❑ *June 2013: 1st Appraisal Well*
- ❑ *June 2015: Declaration of Commerciality and Aphrodite Field Development and Production Plan (AFDPP) submission (Floating Production Unit to Egypt)*
- ❑ *April 2016: Submission of a revised AFDPP (FPU to Egypt)*
- ❑ *November 2019: Submission of a new revised AFDPP (FPU to Egypt) and approval from MECI*
- ❑ *07 November 2019: Issuance of Aphrodite Field Exploitation Licence for a period of 25 years*
- ❑ *May 2023: Submission of a modified AFDPP (Tieback to Egypt)*
- ❑ *November 2023: Modified AFDPP rejected by the Republic of Cyprus (RoC)*
- ❑ *March 2024: Proposal for a new optimized AFDPP (FPU to Egypt)*
- ❑ *30 April 2024: New optimized AFDPP proposal not accepted by the RoC*
- ❑ *30 August 2024: Submission of a new draft modified AFDPP (FPU to Egypt)*

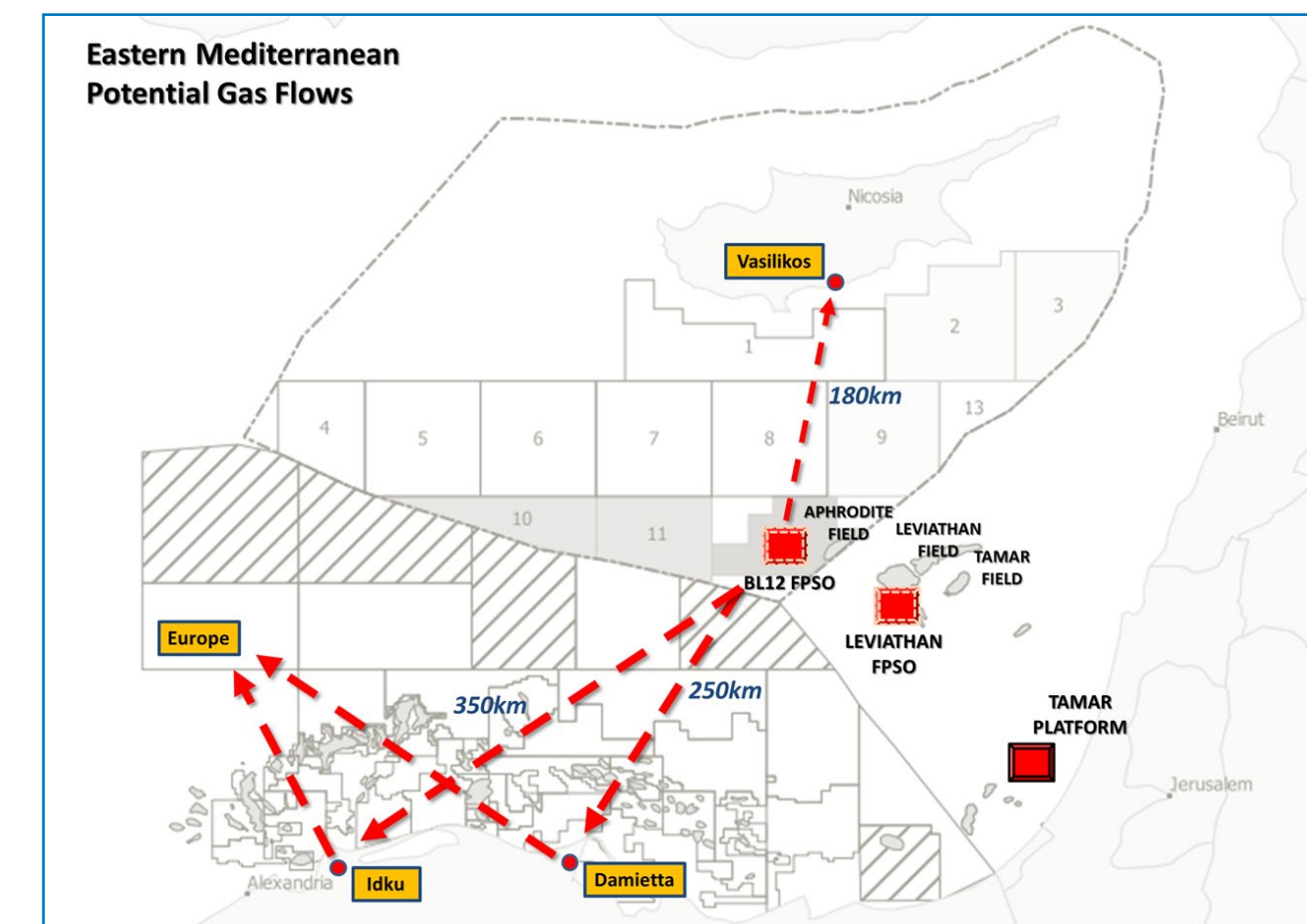
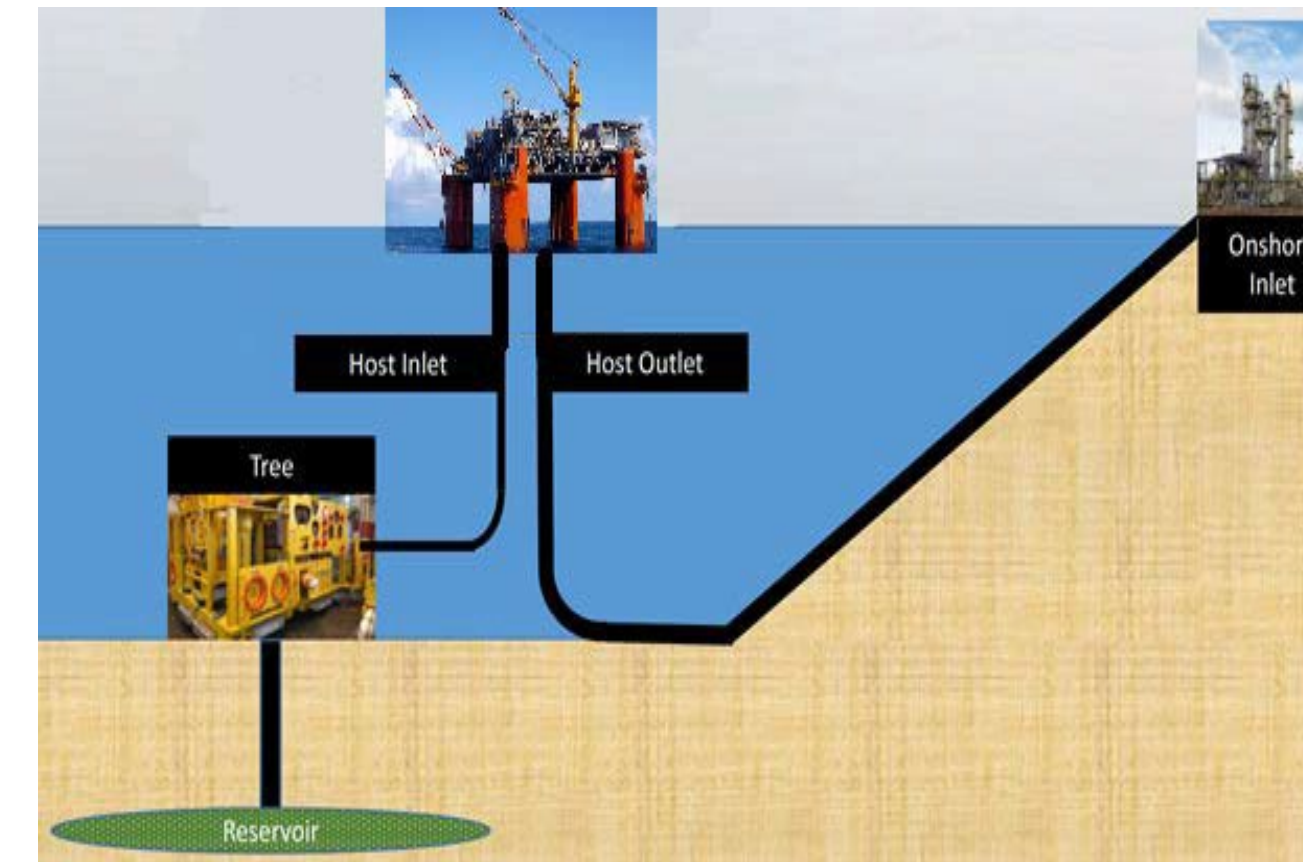


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OVERVIEW OF THE APPROVED 2019 AFDPP



- Natural gas production via subsea infrastructure
- Gas treatment on a Floating Production Unit in Cyprus EEZ
- Transfer to Egypt through a subsea pipeline
- Sales to:
 - Egypt domestic market
 - Liquefaction and export to global markets



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OTHER DISCOVERIES



Glaucus (Block 10)

- ❖ *Under appraisal*
- ❖ *Drilled Glaucus 2 in 2022*
- ❖ *Acquired 3D Seismic data in 2022 to better assess the discovery*
- ❖ *Evaluates a number of potential development options*

Cronos (Block 6)

- ❖ *Under appraisal*
- ❖ *Drilled Cronos 2 in 2024*
- ❖ *Prevailing development option is synergies with Zohr facilities*

Zeus, Calypso (Block 6)

- ❖ *Under appraisal*

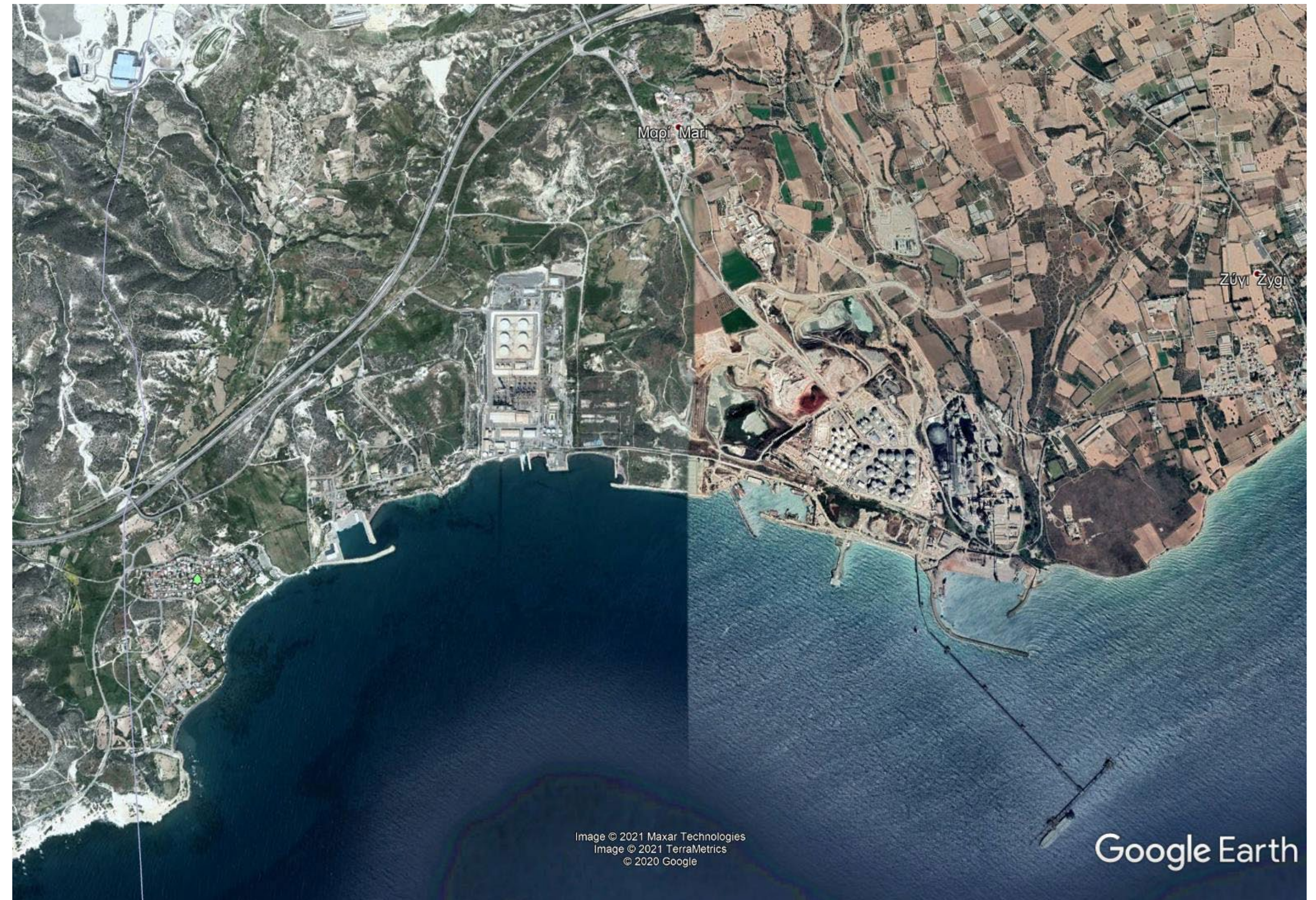


MASTER PLAN OF THE VASSILIKOS AREA



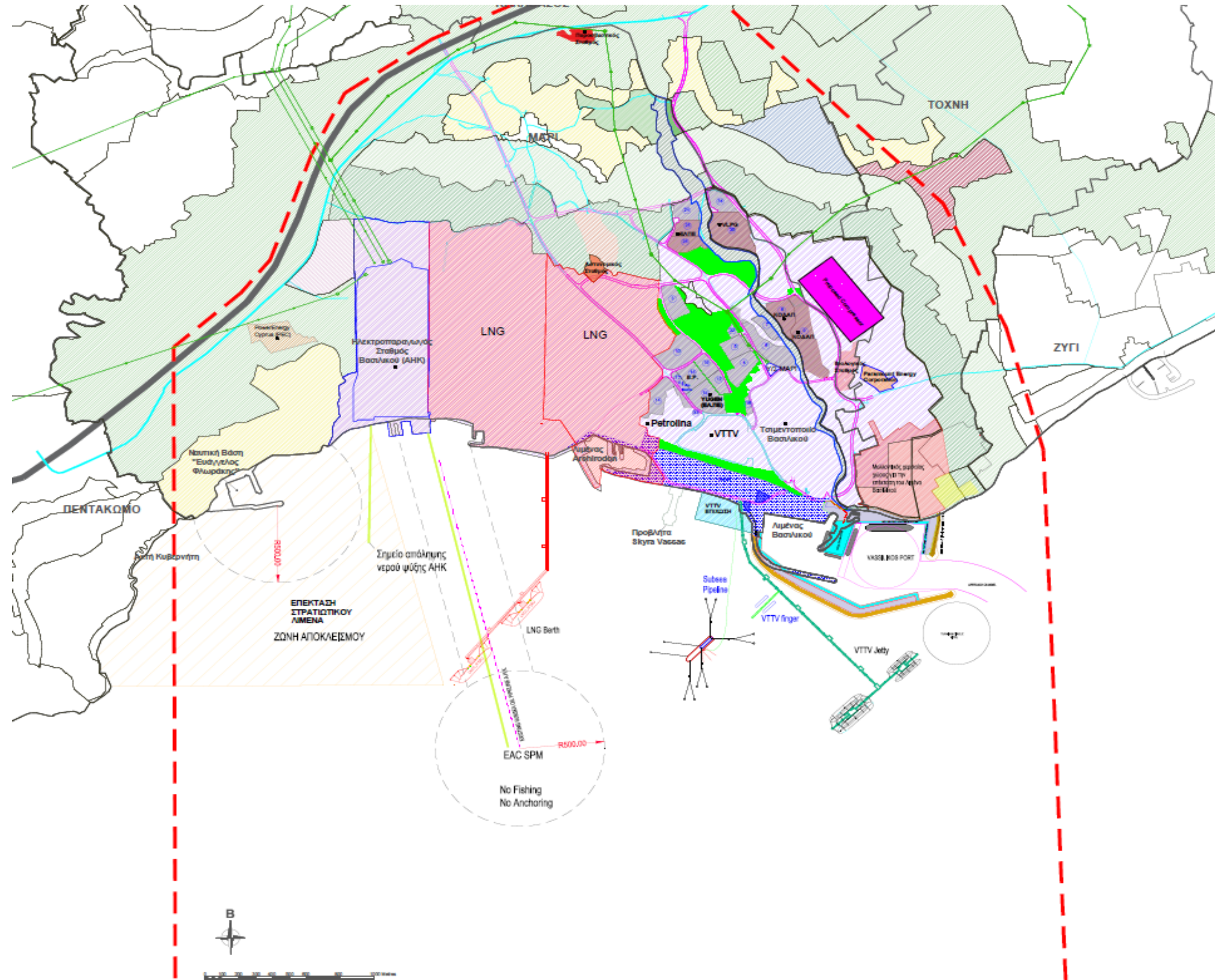
Objectives

- *Present a comprehensive picture of the area*
- *Development of the area emphasizing in social, environmental, security and health and safety issues*
- *Compatibility of existing and proposed facilities*
- *A tool for the optimal development of the Vassilikos area in the next 30 years*



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Vassilikos Master Plan



ΔΙΕΥΚΡΙΣΕΙΣ:

- Νέο Υποθαλάσσιο Προγραμματισμένο Οδόδίκτυο Υποθαλάσσιο Οδόδίκτυο
- Αυτοκινητόδρομος Λευκωσίας - Λακαύ (Α1)
- Οδοί Πλάτους Μείζονος
- Οδοί Κιβωτίων
- Άλλος Υψηλής Τάσης 132kV
- Χώρος Προσώπου
- Τυπική ΑΚΚ
- Βασισμένο Τμήμα ΕΣΦΒ
- Σταθμός Παραγωγής Ηλεκτρικής Ενέργειας Βασικού ΑΗΚ
- Ναυτική Βάση "Ευάγγελος Φλωρενός"
- Power Energy Cyprus (PEC)
- Λοιπάς
- Επιφάνεια βόθρου για το Compressor Station (προσαρτάται στο ΥΣΕΒ)
- Ζώνη Προστασίας
- Ζώνη Υπαιθίου
- Βασισμένη Ζώνη κατηγορίας Α
- Βασισμένη Ζώνη κατηγορίας Β (Β1)
- Ζώνη για γρήγορη ή παρόμοια εγκατάσταση που σχετίζεται με δραστηριότητες του Εκπαιδευτικού Κέντρου
- Ζώνη Υποστηρίξιμων Δραστηριοτήτων
- Υποθαλάσσιο Προγραμματισμένο Έργο
- Απόκλιση Εγκατάστασης Ανεμόμυλων Αφαικτού
- Απόκλιση Εγκατάστασης Παραγωγής Ενέργειας

ΕΠΙΜΟΝΗ:

ΚΥΠΡΙΑΚΗ ΔΗΜΟΚΡΑΤΙΑ
ΥΠΟΥΡΓΕΙΟ ΕΝΕΡΓΕΙΑΣ,
ΕΜΠΟΡΙΟΥ ΚΑΙ ΒΙΟΜΗΧΑΝΙΑΣ

ΕΠΙΜΟΝΗ:

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ΣΥΜΒΟΥΣΙΟ ΜΕΛΕΤΩΝ ΚΑΙ ΕΠΙΒΛΕΨΩΝ
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ΣΚΑΛΑ:	Μ.Σ.	ΜΕΓΑΛΟΜΕΤΡΟ:	1:20,000 / Α3
ΒΑΡΥΤΕΣ:	Χ.Σ.	ΑΝΑΜΟΡΦΩΣΗ:	1/21, 2023
ΜΕΤΡΗΣΕΙΣ:		ΑΡΙΘΜΟΣ ΣΧΕΔΙΟΥ:	XΣΒ-17

LNG Plant



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*Thank you for your
attention*



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