Oil and Gas News Briefs
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U.S. shale oil producers look to replicate success overseas

(Wall Street Journal; Feb. 10) – U.S. shale producers are in a midlife crisis: They know their best days of growth are behind them. Yet it's too early to call it quits, with oil demand expected to keep growing for a while longer. Many have combined forces and some are spending extra capital to squeeze the most out of the acreage that they have left. More recently, they have started looking abroad for shale. In January, shale pioneer Harold Hamm's Continental Resources made its second acquisition in Argentina's Vaca Muerta shale play. The company also signed a deal to develop shale fields in Turkey.

Another of the U.S. industry's early movers, EOG Resources, last year got licenses to explore shale in the United Arab Emirates and Bahrain. These moves are notable because most pure-play U.S. producers have focused on drilling in their own backyard. In recent years, only major oil companies such as Exxon Mobil and Chevron have maintained big footprints abroad. Back in the early days of the shale boom around 2010, American producers explored going abroad, according to Rob Clarke, U.S. shale analyst at Wood Mackenzie, referring to this initial period as "Global Shale 1.0."

Shale is, after all, the most common sedimentary rock and found all over the world. But production in the Permian Basin was so prolific that companies quit exploration abroad. "One of the things that killed Global Shale 1.0 was the Permian," Clarke said. Times have changed, and conditions are now ripe for a phase that Clarke calls "Global Shale 2.0." So far, there are two countries with shale basins large and proven enough to move the needle: Argentina and Saudi Arabia. Argentina is where U.S. producers are looking, though, because it is more accessible to foreign investors.

Europe faces dilemma of choosing who to rely on for energy

(Wall Street Journal; Feb. 11) - It's no fun relying on other countries for your energy needs when major powers start using their resources as a bludgeon. Europe is finding that out the hard way, again. The European Union doesn't have the rich energy deposits of the Middle East or America. Its reliance on imports has been increasing as domestic oil and gas fields such as the North Sea basin deplete and climate policies phase out dirtier fuels including coal. Imports as a share of the region's energy needs have risen from 50% in 1990 to 58% today, a U.S. Federal Reserve analysis shows.

Europe's reliance on imports has come back to bite it several times in recent years. Russia turned off pipeline gas flows to the EU soon after the Ukraine war began in

2022, causing a major energy and affordability crisis. Last summer, the White House used Europe's dependence on imports to demand further purchases of U.S. oil and gas in exchange for a lower tariff. Qatar threatened to cut supplies of liquefied natural gas unless the European Union waters down the bloc's climate rules.

Europe has grown more reliant on the U.S. since its fallout with Moscow. America's share of the EU's LNG imports jumped to 60% in the third quarter of 2025, from 28% in the same period of 2021. Swapping out Russian pipeline gas for U.S. LNG made sense at the time. The EU took it for granted that the U.S. was a reliable ally. But President Trump's threat to take Greenland has shaken Europe. "I think Greenland was a wake-up call," says Jan Rosenow, professor of energy and climate policy at Oxford University. "There is more talk [in Brussels] about replacing one dependency with another."

Now Europe effectively has to decide whether to turn to the U.S. or China to keep the lights on. If the continent produces more solar and wind power, it will order most of the equipment from China, which is the world's factory for clean-energy technology. The EU just reached a "major tipping point" in its shift to cleaner domestic energy, said Beatrice Petrovich, senior energy analyst at think tank Ember. Last year, wind and solar generated more electricity than fossil fuels for the first time in Europe.

Sanctions squeeze tighter on Russia's oil industry

(Wall Street Journal; Feb. 11) - Dozens of tankers filled with Russian oil are floating at sea without buyers. Western powers are seizing the aging ships that the country relies upon. Buyers of Russian oil are demanding the steepest discount to global oil prices since the early months of the war in Ukraine. It all spells crunch time from Moscow's most important economic engine. The West has tried to squeeze Russia's oil industry since President Vladimir Putin invaded Ukraine in 2022. Russia successfully evaded sanctions, rebuilt its own shadow shipping fleet and found new buyers for its crude.

But a fresh wave of pressure, a combination of European sanctions against specific ships, dramatic military ship seizures on the high seas, and U.S. President Trump's efforts to put a wedge between Russia and India, have left Moscow's most important industry in a precarious state. Russia's main grade of crude, known as Urals, trades for around $45 a barrel, a record $27 below the international benchmark Brent, according to commodities-data firm Argus Media.

That is well below the $59 a barrel needed for Russia's fiscal budget to balance in 2026. And it is inching toward the production break-even price, below which Russian oil companies lose money. Analysts estimate this to be between $20 and $25 a barrel. In January, Russia's oil and gas revenue was the lowest since July 2020. "The vulnerability on the budget side is quite significant, and this is happening at a time when the economy is also slowing or almost stagnating," said Benjamin Hilgenstock, director of the Center for Geoeconomics and Resilience at the Kyiv School of Economics Institute.

[Oil stacking up in storage as sanctions cut into Russia's exports]

(Reuters commentary; Feb. 16) - Russian oil producers could be forced to sharply cut output in coming months as tightening pressure from the U.S. and Europe restricts the country's exports and its storage fills up, cutting into the Kremlin's war chest. Russian crude exports have remained broadly stable in recent years despite sweeping Western sanctions and a sharp reduction in energy purchases by Europe. Moscow successfully redirected most of its seaborne oil to China, India and Turkey, often relying on a fleet of aging, uninsured tankers to circumvent restrictions while offering steep discounts.

That resilience is now under strain. Exports have slowed in recent months after Trump tightened sanctions and imposed tariffs on India over its purchases of Russian oil. Demand has also been hit by a European Union ban on imports of fuels refined from Russian crude that came into force last month. Russian seaborne crude exports fell to 3.4 million barrels per day in January from 3.8 million in December, and are currently tracking around 2.8 million in February, according to analytics firm Kpler.

At the same time, the volume of Russian oil held on ships has climbed to a record high above 150 million barrels in recent months, while many tankers have also slowed their speeds — both signs of weaker buying. Pressure on Russian exports is likely to intensify in the coming months as India, the largest buyer of seaborne Russian oil last year, prepares to curb purchases as part of a trade deal with the U.S.

This slowdown is triggering a chain reaction across Russia's oil logistics. Longer voyages are tying up tankers, reducing the availability of vessels to store additional crude at sea, which, in turn, is forcing producers to divert more oil into domestic storage. A drop in production combined with deeper discounts on exports would further erode Moscow's oil income, compounding the financial pressure on the Russian state.

[U.S. eases sanctions, lets oil and gas companies into Venezuela]

(Reuters; Feb. 14) - The U.S. eased sanctions on Venezuela's energy sector on Feb. 13, issuing two general licenses that allow global energy companies to operate oil and gas projects in the OPEC member and for other companies to negotiate contracts to bring in fresh investments. The Treasury Department's Office of Foreign Assets Control issued a general license allowing Chevron, BP, Eni, Shell and Repsol to operate oil and gas operations in Venezuela. Those companies still have offices in the country and hold stakes in projects, and are among the main partners of state-run company PDVSA.

The authorization requires payments for royalties and Venezuelan taxes to go through the U.S.-controlled Foreign Government Deposit Fund. The other license allows companies around the world to enter into contracts with PDVSA for new investments in

Venezuela. The contracts are contingent on separate permits from the Treasury office. The authorization does not allow transactions with companies in Russia, Iran, or China, or entities owned or controlled by joint ventures with people in those countries.

The move was the biggest relaxation of sanctions on Venezuela since U.S. forces captured and removed President Nicolas Maduro last month. The licenses follow a sweeping reform of Venezuela's main oil law approved last month, which grants autonomy for foreign oil and gas producers to operate and export proceeds under existing joint ventures with PDVSA or through a new production-sharing contract.

OPEC+ leaning toward production increase decision March 1

(Reuters; Feb. 13) - OPEC+ is leaning toward a resumption in oil output increases from April, three OPEC+ sources said, as the group prepares for peak summer demand and price strength is bolstered by tensions over U.S.-Iran relations. The resumption would allow OPEC leader Saudi Arabia and fellow members, such as the UAE, to regain market share at a time other OPEC+ members, such as Russia and Iran, contend with Western sanctions and Kazakhstan output is restrained by a series of setbacks.

Eight OPEC+ producers — Saudi Arabia, Russia, the United Arab Emirates, Kuwait, Kazakhstan, Iraq, Algeria and Oman — will meet on March 1. The eight members raised production quotas by about 2.9 million barrels per day from April to the end of December 2025, equating to about 3% of global demand, and froze further planned increases for January through March 2026 because of seasonally weaker consumption.

All three OPEC+ sources, who declined to be identified by name, said the eight members at the March 1 meeting are leaning toward a resumption in production quota increases starting in April. Three other sources familiar with OPEC+ thinking said they expected increases to resume in April. No decision has yet been made and talks will continue in the weeks ahead of the March 1 meeting, two of the OPEC+ sources said.

Saudi Aramco signs 20-year contract for U.S. LNG

(Reuters; Feb. 13) - U.S. gas producer Caturus said on Feb. 13 it signed a 20-year agreement to supply 1 million tonnes per year of liquefied natural gas to Saudi Aramco from its proposed Louisiana export project Commonwealth LNG. Commonwealth had said it wants to reach contracts for 8 million tonnes per year of off-take before taking a final investment decision on the 9.5-million-tonne project.

Caturus said Aramco joins a group of companies that have signed long-term contracts with the project, including commodity trader Glencore, Japan's biggest power generator

JERA, Malaysia's Petronas, energy and commodity trader Meruria and U.S. natural gas producer and pipeline operator EQT Corp.

India wants more LNG, but 'at the most affordable price'

(Bloomberg; Feb. 12) - India will need favorable terms to enter into long-term liquefied natural gas purchase deals with the U.S. as the market is highly price sensitive, according to the chief executive officer of the country's top LNG importer. "India is looking to source energy at the most competitive and affordable price for consumers," Petronet LNG's Akshay Kumar Singh said. "No one is saying you buy at any cost."

The comments come as U.S. President Donald Trump's administration pushes New Delhi to ramp up energy purchases — including crude oil, liquefied petroleum gas, LNG and coking coal — as part of an interim trade deal that seeks to boost American exports to about $500 billion. The U.S. was India's third-largest LNG supplier last year — behind Qatar and the United Arab Emirates — accounting for 12% of total imports of 25 million tonnes, according to Kpler data. India's overall buying could jump fourfold as the nation aims to lift the share of gas in its energy mix to 15% from 6% by the end of the decade.

For countries such as the U.S. and Qatar, that would open up an important market, particularly as new liquefaction plants start operations and production increases. However, higher freight and logistics risks make U.S. LNG less attractive for Indian buyers. Rigid long-term take-or-pay contract structures add to buyers' discomfort. Long-term LNG deals aren't just about settling at a price, but include clauses such as penalties to be paid if buyers fail to take agreed volumes, Singh said.

U.S. energy forecast agency sees continued growth in gas production

(U.S. Energy Information Administration; Feb. 13) – The U.S. Energy Information Administration forecast that U.S. natural gas marketed production will increase by 2% to average 120.8 billion cubic feet per day in 2026 and then further increase to a record-high 122.3 bcf per day in 2027 in its latest Short-Term Energy Outlook. About 69% of forecast production over the next two years will come from the Appalachia, Haynesville and Permian shale regions.

The EIA expects prices to rise from $3.52 per million Btu in 2025 to $4.31 in 2026 and to $4.38 in 2027, which allows drilling in the Haynesville region to remain economical, even with relatively deeper and more expensive well development. In addition, the Haynesville's proximity to liquefied natural gas export terminals and major industrial natural gas consumers along the U.S. Gulf Coast draws operators to the region.

In the Permian region, growth in natural gas production is primarily the result of associated gas produced during oil production. The agency estimates that oil-directed rig activity in the Permian will be relatively low as West Texas Intermediate prices fall from $65 per barrel in 2025 to average $53 in 2026 and then average $49 in 2027.

Despite these lower prices, the EIA estimates that increases in gas-to-oil ratio will drive gas production growth in the Permian region.

Japan’s biggest oil and gas producer expects LNG demand to grow

(Reuters; Feb. 11) - Inpex, Japan's biggest oil and gas producer, expects global demand for liquefied natural gas to grow by 75% to some 700 million tonnes annually in 2035, potentially resulting in a supply shortfall in the Pacific coastal region, including Asia. Inpex, which runs the Ichthys LNG export project in Australia and is developing the Abadi LNG facility in Indonesia, expects global LNG demand to increase from the current level of 400 million tonnes per year, driven by the needs of the Asia-Oceania region, it said in its financial results presentation published on Feb. 12.

China reloads imported LNG and sends it to Europe

(Bloomberg; Feb. 12) - A liquefied natural gas shipment reloaded from China — the world’s top buyer of the fuel — is heading to Europe, a rare move that highlights the continent’s push to refill dwindling inventories. The Seapeak Glasgow tanker loaded a cargo from the Zhejiang Ningbo terminal in late January and was headed south toward Singapore, signaling Europe as its destination, according to ship-tracking data compiled by Bloomberg. Vessel tracking firm Kpler also showed the ship heading to Europe.

It would mark the first time reloaded LNG from China has been sent to Europe in four years. Europe’s LNG imports have surged to a seasonal high this year, as the region is turning to the seaborne fuel to replace a drop in Russian pipeline deliveries after the 2022 invasion of Ukraine. It isn’t guaranteed that Seapeak Glasgow will offload the fuel in Europe, as it is common for ships to change course or be resold to other buyers.

While China is the largest LNG importer, its demand has lagged in the past year as end-users turn to cheaper options. Chinese importers have maintained high inventories this winter and have opted to resell LNG from their terminals to other Asian nations. China’s CNOOC has sold shipments for reloading over the past few weeks. Australia has sent three cargoes toward South America or Europe in the past month. The moves signal that Asian demand remains weak, and LNG will flow to buyers willing to pay more.

New Zealand government wants to faster-track LNG import terminal

(Radio New Zealand; Feb. 12) - A proposed liquefied natural gas import terminal in New Zealand will bypass even the fast-track process in order to be built in time for winter next year, documents show. The government plans to rush through as many of the required approvals as possible ahead of the election, "to give the preferred supplier greater policy certainty that New Zealand is committed to developing the facility,” a

Cabinet paper said. A critic of the proposal says pushing the process through so quickly is unwarranted and the public and local communities should be properly consulted.

Energy Minister Simon Watts said the government would proceed with plans to commission an LNG import facility in Taranaki, estimated at about $1 billion, with whole-of-life costs spread across all electricity users through a levy that could raise bills by up to $30 per year per household. He said it would result in overall savings to households because it would help to lower electricity premiums during dry years when hydropower lakes run low. The Cabinet paper noted that "timing is very tight" to get the facility up and running in time for winter 2027.

"An LNG terminal will require regulatory consents and approvals if it is to be operational ahead of winter 2027, and the existing Fast-Track Approvals Act 2024 processes are unlikely to be sufficient," Watts wrote. "I propose developing an Enabling Liquefied Natural Gas Bill to provide the necessary consents, approvals, levy power and any modifications to existing legislation to enable the preferred LNG facility to be built and operational ahead of winter 2027."

New Zealand debates cost of adding LNG imports as backup

(Radio New Zealand; Feb. 13) - The New Zealand government's proposed plan to import liquefied natural gas detonated a political fight this week — not over energy, but over whether Kiwis are about to be hit with the equivalent of a new gas tax. "If it looks like a tax and it quacks like a tax, it's a tax," was the echo throughout parliament, and fiercely debated on talkback radio. But behind the rhetoric sits a serious problem: New Zealand's domestic gas supply is shrinking, electricity demand is rising, and officials warn the country risks shortages without backup fuel.

Imported LNG, most likely from Australia, is being pitched as a backup. The plan would see New Zealand import super-cooled natural gas, shipped in from overseas, stored and regasified for use in electricity generation and industry. It’s a proposed stopgap — insurance against dry years that reduce hydroelectric power output, dwindling domestic natural gas reserves and rising demand for power. The government expects a levy to help pay for the project could add up to $30 a year to an average household budget.

Martin Gummer, managing director of Optima, which looks at energy management solutions, said he largely supports the LNG imports move, saying gas remains critical for manufacturing, food processing and electricity reliability. "You've got heavy industry, major manufacturers, steel, wood processors, but also a wide spectrum of intermediate-sized businesses such as food products." Schools and hospitals are also big gas users.

TotalEnergies acknowledges it can’t import Russian LNG into Europe

(Agence France Presse; Feb. 11) – French oil-and-gas giant TotalEnergies said Feb. 11 it will abide by a European ban on imports of Russian liquefied natural gas due to come into force next year and said it can easily replace the supplies. The company holds a 20% stake in the Yamal LNG export project in Siberia, led by Russian gas producer Novatek, and ships LNG from there to Europe. "We've always clearly stated that we'll follow regulations which are adopted," CEO Patrick Pouyanne told journalists.

"We'll no longer have the right to import LNG from Russia" into Europe, he added, "but we'll remain a shareholder in Yamal.” Following Russia's invasion of Ukraine in February 2022, most Western companies have sold off their Russian operations and holdings, or at least isolated them, as Western sanctions have made trading in most goods difficult. Pouyanne confirmed that TotalEnergies continues to receive "dividends" from its stake in Yamal but cannot incorporate them into its earnings. The funds remain in Russia.

Amid sluggish demand, France scales back new solar, wind power

(Bloomberg; Feb. 12) - France has scaled back plans to expand solar and onshore wind capacity as it grapples with political tensions over energy policy and a power surplus driven by a slower-than-expected shift away from fossil fuels. The long-awaited energy roadmap, outlining 2030 and 2035 production targets across sources ranging from nuclear and hydropower to biofuels and geothermal, is expected to pave the way for the government to resume subsidy auctions for renewable projects.

However, the plan’s future could be short-lived if the National Rally, which opposes wind and solar power, wins next year’s presidential election. “Let’s try to have a roadmap that takes us at least until the presidential election and avoids a toxic standstill,” Prime Minister Sebastien Lecornu said during the presentation of his energy plan at a hydro dam in eastern France on Feb. 12. “Our industrial, climate and geopolitical interests match the interest of consumers.”

A surge in renewable capacity and sluggish consumption since the 2022 energy crisis have pushed French power exports to record highs and sharply driven down prices. While good news for consumers, it’s squeezing profits at state-run nuclear operator Electricite de France, complicating efforts to finance six new reactors to replace the country’s aging fleet. Under the plan, solar capacity is set to reach 48 gigawatts by 2030, 6 gigawatts less than envisaged in March 2025. The 2030 target for onshore wind was reduced by 2 gigawatts, while the 2035 offshore wind goal was cut by 3 gigawatts.