



## January 16, 2016 (Panel Discussion)

MOGSS organized its First Event of Year 2016 ( Panel Discussion : 2016-2021 – Changes for Myanma Oil and Gas Sector ) at UMFCCI on January 16, 2016 before the Annual General Meeting (2015). Panelists are U Kyaw Kyaw Hlaing - Chairman - SMART, Daw Cho Cho Win - Dy. Director General - MIC, U Than Tun - Advisor - M.O.G.E and Daw Hnin Phyu Phyu Aung - M.D - Lion Energy. The moderator for the event was Dr. Khin Maung Nyo – Freelance Author. The event was open to all and about 250 attendees joined the event.





January 24, 2016 (Annual General Meeting)

MOGSS 2<sup>nd</sup>. Annual General Meeting was held on January 24, 2016 at Rose Garden Hotel and MOGSS CECs and Members discussed about the 2015 Activities with positive attitude. All details info about MOGSS Activities, Income and Expenditure and MOGSS Articles and Memorandum are disseminated to the attendees for their reference. Some MOGSS Articles are updated to meet the current situation with the approval of the members.





Photo - Essay - Design : U Kyi Soe

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## January 28-29, 2016 (OGEX Myanmar 2016)

As always, MOGSS is the strategic partner and coordinator for the OGEX Myanmar 2016 organized by Oliver Kinross ( Hong Kong ). MOGSS managed to invite speakers for the Conference and also participated as an Exhibitor. The event was luxuriated at Sedona Hotel and MOGE M.D., U Myo Myint Oo delivered a speech on behalf of the Minister for Energy. While MOGSS Chairman – U Kyaw Kyaw Hlaing played a part as Moderator, the MOGSS Vice Chairman – 1, U Win Khaing ( now Minister for Construction ) also took part as a prominent speaker with the topic " Energy Policy in Myanmar ". MOGSS CEC Member U Zaw Naing introduced the audience with the " Options for Myanmar Offshore Supply Bases " in this conference.



March 11, 2016 (Social Gathering)

MOGSS Social Gathering Event (2016/01) was sponsored by Myan Shwe Pyi (MSP-CAT) and Honorary Patron U Soe Myint conveyed a welcome speech and explained about the prospects in Energy Sector to the Guest of Honor and MOGSS Members. The event took place at Novotel Yangon Max Hotel this time.





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## March 22-25, 2016 (OTC Asia 2016)

MATRADE and Malaysian Embassy invited MOGSS to join OTC Asia 2016 Conference and Exhibition was held in KLCC, Malaysia as a Honorary Delegation and offered a Complimentary Booth to promote MOGSS and to uncover about the MOGSS Member Companies for the mutual benefit of all parties concerned. MOGSS Delegation led by MOGSS Chairman – U Kyaw Kyaw Hlaing was greeted by Ms. Sharifah Zaida Nurlisha, Vice President of (Malaysian Oil and Gas Services Council: MOGSC) and EXCO Members and exchanged the experiences and agreed to support each other for a closer cooperation in near future. SMART Technical Services, M&S, FES, NEGC, Mandalay Technology, Expert Solutions, OV Logistics and other members joined the OTC Asia 2016.





March 30, 2016 (2<sup>nd</sup> Myanmar Offshore Summit 2016)

MOGSS Secretary General U Aung Ye Soe (M&S) and MOGSS Joint Auditor Dr. Aung Kyaw Htoo visited Nay Pyi Taw to meet and discuss officials for a follow up of Commercial Tax Issue. At the same time MOGSS participated 2<sup>nd</sup> Myanmar Offshore Summit 2016 at the Hotel Grand United – Ahlone and MOGSS CEC U Zaw Naing was a high-up speaker. The Conference was organized by UMS Institute – China.

## March 31, 2016 (Reception to OTC 2016 Delegation)

US Commercial Service Department invited MOGSS Delegation Members to OTC 2016 intended to establish strong relationship with local energy industry players and the US Ambassador to Myanmar, H.E. Scot Marciel, who engaged his duty only one week ago joined the dinner as his first reception. The Ambassador delivered a welcome speech, helped out for visa process and finally entertained with a Mexican Buffet in US Embassy Compound.







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## April 24, 2016 (Expressway CSR Campaign)

Although this summer time is incredibly so hot, MOGSS didn't hesitate to organize the Yangon – Mandalay Expressway CSR Campaign as requested by Yangon-Mandalay Expressway Maintenance Unit. The full story of this CSR activity is as follows:

#### MOGSS YANGON-MANDALAY EXPRESSWAY CSR CAMPAIGN

On December 24, 2015, MOGSS organized a YANGON-MANDALAY EXPRESSWAY CSR CAMPAIGN for the first time. The objectives for the CSR Campaign is to educate the drivers ( especially Express Bus Drivers ) and the passengers for Safe Drive to relegate the accidents occurred along the Expressway.

Before the Campaign, MOGSS CEC Members and Head of Office visited Yangon-Mandalay Expressway Officials. Based on the site visit information and CSR Campaign Meeting discussions, MOGSS prepared Gifts, Pocket Guides and arrangement with diligence within few days.

MOGSS had a special meeting for CSR Campaign and decided to emphasize three points including (1) To follow Speed Limit (100 KM / Hour Maximum) (2) To fasten Seat Belt all the driving time and (3) To avoid use of hand phones while driving. MOGSS offered commemorative gifts during CSR Campaign to attract drivers and passengers. Those gifts are intended to remind the rules and regulations for Expressway. A Sporty Cap stitched with MOGSS Logo and Mottos for Safety Drive, Key Chain with Safety Mottos for Driving and Pocket Guide with important Expressway Police Phone Numbers for Emergency Cases.





To simplify the CSR Campaign Objectives, the mottos initiated are

(1) Safe Drive – Save Lives , (2) No Seat Belt – No Safety and (3) No Phone – More Safe.

With the strong support of the MOGSS Members, MOGSS organized MOGSS Expressway CSR Campaign to educate Highway Drivers, Driving Crews and Passengers for safe driving, seat belt wearing, avoiding cell phone use and care taking along the highway, offering gifts with mottos for safe driving and pocket guides with do and don't for safe drive. MOGSS CSR Campaign members also explain about road safety and accidents to drivers and passengers and response from the Expressway Drivers and Passengers for this campaign is very positive and some drivers and passengers demanded to organize such campaign as far as possible preferably during rainy season. During the campaign, about 65 Highway Buses, 120 Sedan and Vans, 35 Light Trucks, 25 Trucks and more than 2,000 passengers were organized and most of them came back with very constructive and encouraging reactions. Only very few, say less than 10 vehicles, did not join the campaign.

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This remarkable campaign was considered very successful and expected to reorganize during 2016 with solid cooperation of MOGSS Member Companies and even with Operators and Foreign Oil and Gas related companies. MOGSS is very pleased with the campaign and extremely confident to move forward the further CSR Programs during 2016.

Based on this successful 1<sup>st</sup>. Campaign and request by the Expressway (Maintenance) Unit, MOGSS reorganized the 2<sup>nd</sup>. Yangon-Mandalay Expressway CSR Campaign on 24-April-2016. This time, about one hundred MOGSS Members led by Chairman U Kyaw Kyaw Hlaing, Secretary U Aung Ye Soe, Advisor U Kyi Soe and well-wishers join the campaign and MOGSS was even supported by well-known Operators such as TOTAL E&P and PTTEP. The General Manager (TOTAL E&P) and his wife, PTTEP Well Wishers, Young Models, Sponsors and MOGSS Members took their part with high attention and more than two hundreds of Express Buses, Light Trucks and small cars are friendly educated.

The Campaign Activities were telecast by MRTV, MRTV4, MYAWADDY and SKYNET while the Journals and Magazines including The Voice, The Ray of Life, The Morning Post, The Snapshot, The Sunday and The Union Daily, also published about the campaign. The coming issues of B2B, CEO and Life Style Magazines will bring about the campaign soon.

UKS: 5-May-2016 This article will be published in Oil and Gas Austral Asia Journal (June-July 2016)

#### May 24-26, 2016 (CSSOPE 2016)

China Sourcing Summit on Petroleum and Chemical Equipment (CSSOPE), convened in Beijing – China every year, was organized by The Oriental Pro-Energy Consulting Organization (topco). As a Strategic Partner for CSSOPE Conference and Exhibitions, MOGSS sent U Wai Zin Oo, Joint Secretary General, to CSSOPE 2015 as a conspicuous speaker. This year, CSSOPE offered two slots for MOGSS Speakers and a complimentary booth. In this regard, MOGSS organized for CSSOPE 2016 and sent MOGSS CEC - U Zaw Naing, M.D – Mandalay Technology, who shared a topic named "China's One Belt One Road and MYANMAR and MOGSS Member - Daw Yamin Shwe, M.D – Holy Dragon, who enlightened about "The Opportunities for Oil and Gas Services in Myanmar ". However, MOGSS could not expose its booth this time. MOGSS Vice-Chairman – U Pyi Wa Tun also joined CSSOPE as a plenary speaker and panelist.



## May 27, 2016 (Meeting with Thai Delegation)

UMFCCI organized and invited MOGSS to attend and discuss with a Delegation of Kasetsart University and Thai Energy Investors led by Ms. Dararut Ritboonyakorn, Executive Director, Ministry of Energy on May 27, 2016. MOGSS Chairman - U Kyaw Kyaw Hlaing, Advisor - U Kyi Soe and MOGSS Members joined the meeting and discuss the possible business opportunities with their counterparts in Oil and Gas and Electrical Sectors.

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## June 3, 2016 (Environment and Country Development)

MOGSS organized the MOGSS Talk ( 2016/02 ) at UMFCCI Mingalar Hall on June 3, 2016 with an attractive topic entitled "Environment and Country Development" with the commemoration of World Environmental Day – May 5 ). The Key Speakers: Cartoonist Saya Aw Pi Kyeh and Saya U Kyaw Kyaw Hlaing (SMART) gave the message to the general audience the credence of Environmental Impact on the Globe. The video prepared by SMART attracted the audience and shared the key points of Environment and Country Development. At this time, Max Energy supported as a Main Sponsor while TOTAL E&P, Petronas, KST Construction and OK Myanmar are Gold Sponsors and COSL joined the event as a Silver Sponsor. Good Day Coffee entertained the audience with their new coffee-mix.



## June 7, 2016 (IFB 2016 - Liverpool)

MOGSS Chairman U Kyaw Kyaw Hlaing - SMART, MOGSS Vice Chairman U Pyi Wa Tun – Parami Energy, U Win Zaw Thet – Pacific High Technology, U Soe Min Aung – INJYNN Development, U Zarni Swe - SMART visited Liverpool – UK to attend International Festival for Business (IFB – 2016), invited by UKTI and UK Embassy. UKTI Director for Myanmar was also at the festival. Before they left for UK, Ambassador Andrew Patrick invited MOGSS CECs and Members to a Networking Dinner at the UK Embassy Compound on June 7, 2016.



## June 17, 2016 (10<sup>th</sup> Social Gathering and Technical Talk)

The first time Technical Talk was organized with the conjunction of MOGSS 10<sup>th</sup> Social Gathering at Rose Garden Hotel, Swe Taw Hall in the evening of June 17, 2016. Mr. Peter Hone – Technical Business Development Manager (Lloyd's Register – Energy) and Mr. Maurice Laratro – Area Operations Manager (Lloyd's Register – LRQA) shared their experience and stance under a theme - Raising Standards Together in the O&G Industry in Myanmar. More than 80 members and non-members joined the talk and followed by a networking section.



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## MYANMA OIL AND GAS .....

#### **Historical Background**



The country now known as Myanmar, sandwiched in between China and India, two of the world's biggest new sources of energy demand, was one of the world's first oil producer, with some exports as early as 1853. Foreign investment followed, with sizable fields developed in the late 1800s and early 1900s. Myanmar is believed to have significant untapped reserves of natural gas and Myanmar is the largest gas exporter in Southeast Asia.

Between 1886 and 1962, the country's oil industry was dominated by Burmah Oil Company (BOC), which discovered the Yenangyaung oil field in 1887 and the **Chauk** oil field in 1902. Both are still in production.

In 1962, the oil and gas industry was nationalized. Until the late 1980s, the government kept foreign operators away. From 1962 to 1988, oil exploration and production were mainly performed by MOGE; foreign operators were kept out by a strict nationalistic policy and the lack of an appropriate legal framework. But beginning in 1988, it liberalized the oil and gas sector to begin allowing outside investment again. Western companies including Total S.A. and Unocal Corporation, later bought by Chevron, entered the market. As in many other countries, the State assumed ownership of the resources, either operating them itself or delegating this task to private operators, who were paid for their outlay and work in oil or gas under Production Sharing Contracts (PSCs).

After a few years, a host of investors from Asia and elsewhere expanded their operations, including CNOOC Ltd. of China and South Korea's Daewoo International. The process intensified after 2004, as Myanmar authorities accelerated the opening of areas for exploration. By 2007, at least 27 companies from 13 countries, including Petronas of Malaysia, PTTEP of Thailand, Total E&P of France and ONGC of India, were active in Myanmar's oil and gas industry.





sizable deposits of natural gas, which now makes up the bulk of Myanmar's production. Foreign companies are particularly interested in offshore areas along Myanmar's western coast in the Bay of Bengal near Bangladesh, where a consortium including Daewoo has developed a major gas asset that will include a pipeline to China.

The key player of oil and gas policy in Myanmar is the Ministry of Energy (MOE), which has oversight for three state-owned enterprises:

- Myanma Oil and Gas Enterprise (MOGE), formed in 1963, is responsible for oil and gas exploration and production, as well as domestic gas transmission through a 1,200-mile onshore pipeline network.
- Myanma Petrochemical Enterprise (MPE) operates three small refineries, three fertilizer plants and a number of other processing plants.
- Myanma Petroleum Products Enterprise (MPPE) is responsible for retail and wholesale distribution of petroleum products.

Note : The ministry was reformed as Ministry of Electricity and Energy ( လျှပ်ဝစ်နှင့်စွစ်းအင်ဝန်ကြီးဌာန ) by the new government in 2016.

In 2007, nine foreign oil companies were permitted in 16 onshore blocks to explore new areas, to enhance recovery from existing fields, to reactivate fields where production had been suspended and to produce oil and gas.

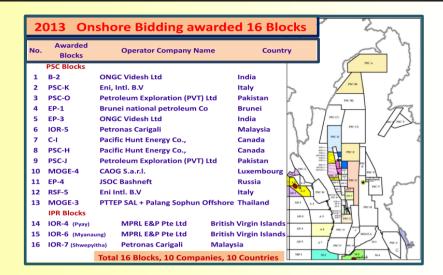
In the offshore, majors companies including Shell, ENI, ConocoPhillips, StatOil, Ophir, BG, Chevron, Total, Oil India and Woodside are exploring and/or developing in 31 blocks since 2014.

Since late 2004, Myanmar's authorities have intensified the opening of blocks to foreign companies. Myanmar's oil output is small, with gas taking over. The country produces around 180, 000 barrels of oil equivalent per day, of which 90% is gas. **Credit to Original Authors and Photographers** 

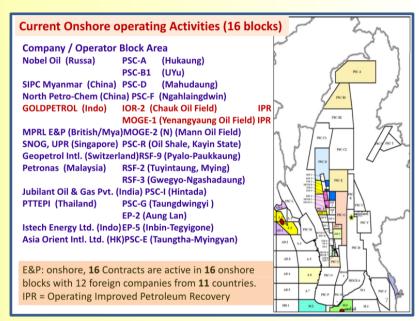


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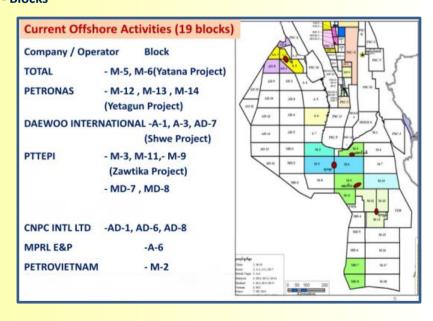
#### 2013 Onshore Bidding



## **Current Onshore Operating Activities: 16 - Blocks**

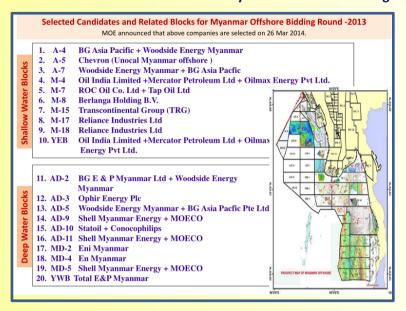


## **Current Offshore Activities: 19 - Blocks**



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## Selected Candidates and Related Blocks for Myanmar Offshore Bidding Round - 2013



Upcoming Projects PTTEPI BLK-M3 Aung Thin Kha(2018 – 2019)

 PVEP
 BLK-M2
 Shwe Ye Thike (2021 – 2022)

 MPRL / Woodside
 BLK-A6
 (2022 – 2023)

Projects in Myanmar Myanmar has a total of 104 oil and gas blocks including 53 onshore and

51 offshore blocks. At present, Onshore 16 blocks and Offshore 19 blocks

are in operation.

**Demarcated Blocks in Contract** 

- Production Sharing Contract (PSC)
- Improved Petroleum Recovery (IOR)
- Performance Compensation Contract (PCC)
- Reactivation of Suspended Fields (RSF)

## **Supply Bases for Oil and Gas Operation**

Currently, TWO Offshore Supply Bases (OSB) exist in Myanmar.

- (1) Tharkayta OSB in Yangon which is very limited space and shallow water draft.
- (2) Kyaukphyu OSB
- (3) Singapore International Supply Base and Thailand Ranong Base are used for Cargo Loading and Offloading cargo. (Outside Myanmar)

For onshore, MOGE supply bases are situated along the Ayarwaddy river.

## Potential Opportunities in Myanmar Oil & Gas Sector

Myanmar government and business community is keen to diversity their commercial partners. More services for E&P of onshore and offshore blocks are on the way. Seismic Data Acquisition Consultancy for the Oil & Gas and Mining industries is a must. Environmental and Social Impact Consultancy in the area of Oil & Gas, Mining, Large Scale Development Projects such as SEZs, airports, seaports and so on are in demand. As Myanma oil and gas sector is growing significantly, the Supply Chain Services are essential in many areas including Equipment, Materials, Accessories, Training and Skill Accreditation, Research and Development.

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# YADANA GAS FIELD

TOTAL E&P

Gas Production 807 MMCFD Export to Thailand 574 MMCFD Domestic 199 MMCFD

Discovered 1982 Start of Gas Export 1998

# YETAGUN GAS FIELD

PCML

Discover 1992
First Gas 2000
Reserve 4.16TFC

Export to Thailand 420 MMCFD

(24" Gas Pipeline size)



## SHWE GAS FIELD

**DAEWOO E&P** 

Discover 2004 First Gas 2014

Export 277 MMCFD Domestic 23 MMCFD

# ZAWTIKA GAS FIELD

PTTEP

Discovered 1997 First Gas 2014

Production DCQ 300 MMCFD
Present production 63 MMCFD



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# MOGSS – A Society to help upgrade the Standards of Oil & Gas Services in Myanmar



## MOGSS CEC ( 2015-2016 )

U Kyaw Kyaw Hlaing	SMART	Chairman	
U Pyi Wa Tun	Parami Energy	Vice Chairman – 1	
Daw Hnin Phyu Phyu Aung	Lion Energy	Vice Chairman – 2	
U Aung Ye Soe	M&S	Secretary General	
U Ye Nyunt	KST Construction	Joint Secretary General – 1	
U Wai Zin Oo	Pacific HighTech	Joint Secretary General – 2	
U Win Myint	Parami Energy	Treasurer	
Daw Yee Yee Htwe	MCM Energy	Joint Treasurer	
U Maung Kyi	IPSC	Auditor	
Dr. Aung Kyaw Htoo	DARE	Joint Auditor	
U Than Lwin	K&L	CEC Member	
U Po Aye	UE	CEC Member	
Daw Yadana Su Hlaing	SMART	CEC Member	
U Htu Htu Aung	AGS	CEC Member	
U Kyaw Thu	Freelancer	CEC Member	
U Zaw Lwin Tun	FES	CEC Member	
Mr. Thet Aung Min Latt	Diamond Intelligence	CEC Member	
U Aung Ye Moe	Shwe Sandar	CEC Member	
U Zaw Naing	Mandalay Technology	CEC Member	
U Nyi Nyi Sein	Asia Megavo	CEC Member	
	Daw Hnin Phyu Phyu Aung U Aung Ye Soe U Ye Nyunt U Wai Zin Oo U Win Myint Daw Yee Yee Htwe U Maung Kyi Dr. Aung Kyaw Htoo U Than Lwin U Po Aye Daw Yadana Su Hlaing U Htu Htu Aung U Kyaw Thu U Zaw Lwin Tun Mr. Thet Aung Min Latt U Aung Ye Moe	U Pyi Wa Tun Daw Hnin Phyu Phyu Aung U Aung Ye Soe W Ye Nyunt U Wai Zin Oo Daw Yee Yee Htwe MCM Energy U Maung Kyi Dr. Aung Kyaw Htoo DARE U Than Lwin U Po Aye Daw Yadana Su Hlaing U Htu Htu Aung U Kyaw Thu U Zaw Lwin Tun FES Mr. Thet Aung Min Latt U Aung Ye Moe U Zaw Naing Mass M&S W Kyaw Hoo Parami Energy MCM Energy I PSC DARE U LE DARE U LE DARE U LE DARE U Freelancer FES Mr. Thet Aung Min Latt U Jaw Naing Mandalay Technology	

## **MOGSS OFFICE**

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Advisor

#### Next Activities ......

Hluttaw and MOE Visit
CSR Program
Social Gathering and Talk
MOGSS Golf Tournament
MOGSS Exhibition
AGM and CEC Election
MOGSC 2016 and OSEA 2016

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During 1<sup>st</sup> Half of Year 2016, MOGSS shared, disseminated or informed to all members the request of Member Companies and Affiliate Organizations as follows:

## Request to share of Event - Invitation - Information : January to June, 2016

SR	ORGANIZATION	NAME	DESCRIPTIONS	DATE	REQUESTS
1	SPE	U Aung Kyaw Min	Modern Perforating Techniques : Key To Unlocking Reservoir Potential	Jan-16	Event
2	SPE	U Aung Kyaw Min	Well Design and Integrity: Importance, Risk and Scientific Certainty	Feb-16	Event
3	Myanmar Engineering Society	U Myint Soe	5 days study tour program (2016) of Japan Society of Civil Engineers (JSCE)	Feb-16	Information
4	SPE	U Aung Kyaw Min	Exploration to Reserves and Production – The Monetization Highway	Mar-16	Event
5	Machinery & Solutions	May Myat Kay Khine	Seminar on Pentair Valves and Control	Mar-16	Invitation
6	SPE	U Aung Kyaw Min	Well Design and Integrity: Importance, Risk and Scientific Certainty	May-16	Event
7	First Energy Services	U Zaw Lwin Tun	Hypertherm on Plasma Cutting Technology	May-16	Event
8	OilTech Myanmar	Mr. Alec Lew	First API Certified organization in Myanmar	May-16	Information
9	Alpha Resources	Daw Wai Mar Khaing	2nd Myanmar LPG Training	May-16	Event
10	Alpha Resources	Daw Wai Mar Khaing	ANGVA Workshop on Natural Gas for Vehicles	May-16	Event
11	Uniteam Training	Ko Nyi Nyi Naing	Launch of the world's first Serious Game for seafarers, designed to improve behavioral based safety onboard ships "Escape from Desolo"	May-16	Announcement
12	Monsoon Engineering	U Po Aye Daw Zin Mar Oo	Piping Field Engineer Course	May-16	Training
13	Standard Marketing	Mr. Victor Tan	BioAlkaline Heavy Degreaser Information & Specifications	May-16	Information
14	Myint & Associates	Daw Aye Sandar Phyo	Our products to Oil & Gas Companies	May-16	Information
15	Asia Edge	Mr. Lau Dong Jun	PetroEdge Upcoming Webinar	Jun-16	Information
16	Monsoon Engineering	U Saw Than Oo	Managing Major Oil & Gas Development Projects: Challenges vs Success" ( Focus on Major Offshore O&G Projects )	Jul-16	Training
17	US Commercial Service	Ms. May Thet Win	Invitation to NACE (National Association of Corrosion Engineers) East Asia Pacific Area Conference and Exhibition in KL, Malaysia	Aug-16	Invitation

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