

the idea was conceived of creating large-scale bases for gas and oil drilling in Eastern Siberia. In March 1988 this idea was discussed at a meeting of the Bureau for the Fuel and Energy Complex, under the USSR Council of Ministers, together with the State Planning Commission, the Ministry of Geology, and the Ministries for the Gas and Oil Industries. Their conclusion was that if the oil in Eastern Siberia was exploited too early and in a costly manner, it would be the most expensive oil in the Soviet Union. The proof of the expense involved in extraction is the following: the total estimated capital investment required for the extraction of the deposits is divided by the oil reserves proven to exist in early 1988. For instance, one billion divided by 10 million gives a specific cost of 100 roubles for the extraction of one ton of oil. This does not, however, take into consideration scientific estimates of deposits, and even if these estimates are only partially correct, the cost of extraction will be significantly reduced.

This does not suit those who take no interest in developing the oil-drilling industry in the Soviet-Union, and in significantly improving the location of the extraction and refining of raw hydrocarbons. Having discovered the vast Yurubcheno-Takhomka oil and gas field, the Ministry of Geology will now be able to increase its proven reserves by millions of tons annually. On the basis of this field, the plan for increasing oil and gas reserves can be met for several years without difficulty, and only towards the end of the present century or the next century can the true extent of this field be ascertained for the Commission on Reserves under the USSR Council of Ministers. Another 3-5 years will then be required to defend the reserves before this Ministry. Only after all these