

OIL AND GAS

Canadians Extract Oil in Siberia

"This is a mutually advantageous deal," says S. Muravlenko, general director of the "Yuganskneftegaz" (Yugan Oil and Gas) Production Association. "In creating in the Tyumen Oblast the joint Soviet-Canadian venture 'Yuganskfracmaster' together with the firm Canadian Fracmaster Offshore Ltd., we will be extracting oil through the use of advanced technology to increase the yield of the bed. This will make it possible to tap low-yield deposits and many 'forgotten' wells. Cooperation will also give us an opportunity to obtain hard currency to aid in solving acute social problems and improve our workers' well-being. By receiving oil in excess of the planned amounts and selling it on the world market, the Canadians, for their part, will also turn a profit."

"We are firmly convinced," says Ron S. Bullen, President of Canadian Fracmaster, "that this joint venture will be a success. And the fact that 'Yuganskfracmaster' has been registered under the number 407 indicates that joint ventures have become a reality in your affairs."

How is the enterprise structured and what does it do? The Soviet contribution to the Charter Fund amounts to 51%, with the remainder invested by the Canadian firm. Profits will be shared in the same proportion.

And now to the heart of the matter. In oil extraction, despite the best efforts of prospectors and drillers, not all wells become productive, that is, profitable from the point of view of expenses incurred and the oil obtained from the wells. Such wells, of which there are dozens in Siberia, could serve a purpose if