

## The Motley Fool UK Discussion Boards

[Previous Page](#)

### Sectors & General Shares / Oil & Gas - Companies

URL: <http://boards.fool.co.uk/oilbarrel-cux-9566780.aspx>**Subject:** OilBarrel CUX**Date:** 28/09/2005 17:04**Author:** HaiderAli**Number:** 29218 of 81392

---

I'll leave it to better informed Fools to talk about the presentation and the rest of the conference.

This is the view from the circumscribed competence circle seats in the theatre. Happy to be corrected on any of what follows.

If anyone is desperate to know the guru view seemed to be that Cardinal were good (people phoning brokers after the presentation, if you see what I mean) and Caspian iffy.

I'll just mention the chat I had with Said Arrata over lunch. It was in a public forum, so I guess it's ok to be posted, but if anyone has a problem, 'problem post' this, I won't mind.

There was another Fool who asked important questions about infrastructure (given their extensive exploration plans), so I'll leave him to deal with that as well as inaccuracies in this post, I was not taking notes.

Apparently Libya is very competitive and there are lots of national/state oil companies willing to have a pop without much regard for economic factors. I got the impression that the next round will be as tough as the last one. The north is attracting more/better(?) bids than the south. Firms' interest in Libya is more strategic than economic. SIA experts probably know much of this anyway.

I asked why he was interested and apparently it's for 'strategic' reasons and he wasn't willing to go into those for fear of compromising them. He said that the consortium that CUX is a part of is a strong one and his team have a good geological background in Libya (that's what I heard).

I asked whether CUX could be hit in the same way that BUR was in Congo and apparently CUX will have to be doing 100k bopd before the production sharing terms become more favourable to the Egyptians. His view seemed to be that if production reaches that level CUX will have done so well that the change of terms will not be a big deal.

I also asked about his exit strategy and he did not seem to be too interested into going into any detail. It seemed to be too early and though there were big gas firms in the region, as I heard it, a sale had not been discussed. FWIW the Cardinal chap had been explicit about his interest in a bought out exit.

He was adamant that CUX would not be looking to get more for its gas - the Egyptian govt already subsidises sales to consumers, so a price hike would not be good for the relationship, it would have to go through parliament etc.

International pricing/sales for the gas seems to be 2 years away. He felt that the higher prices for gas that some firms get in other countries are the exception rather than the rule.

In the Q&A I had asked how he reconciled his sale of shares acquired through options exercising with the bullish near/medium term outlook he was presenting. The answer was to do with having a family to support. I had hoped he might say that it was due to the limited windows of opportunity etc.

Nice to see so many different Fools. The apres conference chats were very illuminating.

---

© Copyright 1998-2012