

PGNiG begins exploration for oil in Egypt

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On Wednesday PGNiG is opening its branch office in Egypt, which will search for oil at a cost of \$200-300 million.

"This is the sum required for carrying out exploratory works and test drills before considering extraction," said an anonymous expert.

According to the expert, two planned test drills will not be sufficient and most likely the firm will have to carry out more tests. If, as a result of seismic analysis it would be possible to drill in places where oil exists, than PGNiG could try to start production while more exploration work would be carried out in other areas," the source told Rzeczpospolita.

Also according to this source, extraction drilling is more expensive and the cost could reach as much as \$1 billion. "This is a distant perspective and at least a few years off," said the expert.

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