



AFGHANISTAN

CAPITAL: Kabul

MONETARY UNIT: Afghani

REFINING CAPACITY: 0

OIL PRODUCTION: Unknown

OIL RESERVES: Unknown

GAS RESERVES: 3.5 tcf

Unocal Corp. withdrew from the CentGas consortium, a multinational group planning to build a 1,462-km, \$1.9 billion natural gas pipeline from Turkmenistan to Pakistan via Afghanistan.

Unocal cited the need to cut costs and the reluctance of international agencies to lend money for projects in Afghanistan. U.S. government bombings of terrorist camps in Afghanistan in August 1998 was believed to have contributed to the decision.

The oil company was the leading partner in CentGas, holding a 54.11% interest, so the venture was presumed dead. The company had spent \$10-15 million on the project.

The weak link in the pipeline project was the 764 km of line that would have crossed northern Afghanistan, which had been ravaged by 19 years of civil war.

Surprisingly, Afghanistan's Taliban Islamic militia had indicated that it would support the 20 billion cu m/year pipeline.

Also in 1998, a Unocal team discussed with Taliban authorities prospects for oil and gas exploration in areas around Ghanzi, Kandahar, Farah, and Heart, Afghanistan.

Unocal was asked to study exploration prospects, inspect scientific installations, and collect data and soil samples, according to Afghan Oil National Co.

The Taliban militia reactivated the defunct national oil company in order to resume oil and gas exploration. The former Soviet Union abolished the firm after invading Afghanistan in 1979.

Officials said oil prospects had been explored in Paktika province, in the south near Pakistan, and Heart province, in the west near Iran.

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