

Israel firms invest in Cyprus energy search

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Commerce Minister Neoclis Sylikiotis told reporters that the signing provided a "new era of Cyprus-Israeli strategic cooperation which

includes economic and political dimensions".

Noble [Energy](#) Inc was the first to drill when awarded Block 12 after Cyprus launched its energy search in 2007.

In December 2011, Noble said it had discovered gas reserves of up to 8 trillion cubic feet (226.5 billion cubic metres), with an estimated value of 100 billion euros.

This would satisfy domestic needs for decades and could enable Cyprus to become a regional player by exporting gas to Europe from 2019.

Delek Drilling and Anver [Oil and Gas Exploration](#) own majority rights in Israel's own large gas finds in the nearby Leviathan and Tamar fields.

The latest deal move comes less than a week after Cyprus signed an agreement with French energy giant Total to conduct [exploratory drilling](#) for gas and oil in two blocks off its southern shore.

Cyprus aspires to become a regional energy hub with the prospect of oil as well as [natural gas](#) being tapped beneath the [sea bed](#).

Total signed a deal to exploit blocks 10 and 11 that are adjacent to a large natural gas find in block 12 and said it seeks to proceed in drilling for oil as well as gas reserves.

Turkey has protested strongly against Nicosia's energy search, branding it illegal and beginning its own exploratory drilling off the breakaway north of the island.

Ankara has warned that companies involved in the Cyprus process could be shut out of Turkey's [energy investment](#).

Sylikiotis said that having countries such as France, the United States, Israel and Italy involved in the island's hydrocarbon exploration acted as a "political shield" against Turkish threats.

Cyprus has been divided since 1974, when Turkish troops invaded and occupied its northern third in response to an Athens-engineered coup in Nicosia aimed at union with Greece.

It is estimated that there could be around 60 trillion cubic feet of gas lying in the 13 blocks that make up Cyprus's 51,000 square kilometre (20,000 square mile) exclusive economic zone.

Cyprus is banking on its energy bonanza to eventually rescue it from recession as it seeks a European Union bailout. It plans to bring gas onshore in 2018 and to build a liquefied natural gas plant.

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