

## ENERGY EXTRA

### Soviet drilling technology stirs petroleum exposition

Participating in the show for the first time ever, the Soviet Union had a booth at the 18th International Petroleum Exposition held in Tulsa, Oklahoma the week of Sept. 10. Deputy Oil Minister Sokolov was in attendance to boost the exhibit by Machinoexport, the Soviet trading organization for heavy equipment export.

The main attraction in the Russian display was reportedly the large turbodrill, the type used in nearly two-thirds of drilling in the U.S.S.R. According to *Oil and Gas Journal*, Sokolov reported that the drill had been successfully tested in Canada as well.

The popularity of the Soviet exhibit was striking not only because of the possibility that the Russian machines will become more widely used in the industry, but because it appears that the technologies shown were more advanced and sophisticated than expected. The Soviets' report that they have drilled a hole 31,700 feet deep, a world record, caused a major stir at the exposition.

A pattern of Soviet breakthroughs in drilling technology would undercut prognoses, offered recently by the CIA, among other forecasters, of stagnating and then precipitously declining petroleum extraction in the U.S.S.R. over the next decade.

The case of Soviet offshore drilling is similar. For years, it has

been taken for granted that the Soviets would depend on Western imports for significant expansion of their offshore operations, and purchases from British suppliers were under way since the early 1970s. This summer, however, work on the Soviets' own first deep water offshore rig was reported close to completion and ready to begin exploration in the Caspian Sea.

#### Oil officials on "fact and fantasy"

The trends in Soviet oil extraction were put in perspective by E. I. Vertel, a top Soviet fuel planner, in an Aug. 31 interview to the daily *Sovetskaya Rossiya*. He ridiculed the revised CIA estimates that the U.S.S.R. will face outright shortages of oil in the mid-1980s.

Vertel noted that while petroleum extraction is becoming more expensive for the Soviets, as the main fields are more and more concentrated in Siberia, the pace of yearly growth of oil lifted has been maintained and the Soviet officials are confident that it will continue to be.

Furthermore, the role of the Soviet oil industry has to be seen as part of a comprehensive energy plan involving both the U.S.S.R. and the Eastern European and Third World members of the Council for Mutual Economic Assistance (CMEA). Vertel said,

"The long-term program for the period until 1990, which has been worked out and is being implemented by the CMEA countries, is intended to solve precisely the energy problem. This program provides for ... the intensive development of nuclear power and the creation of equipment which will ensure the economical use of fuel and energy resources, high labor productivity and so forth."

As *EIR* reported in our July 17-23 cover story, "Nuclear Plants for Export," any drop-off in Russian oil exports to the Eastern European countries as a result of increased domestic consumption and sales for hard currency will be made up by nuclear-generated power and, in the interim, natural gas deliveries.

The Czechoslovak daily *Rude Pravo* opened another angle on area energy flows in an Aug. 22 commentary predicting that, while Eastern European nations must "export certain energy-yielding raw materials and energy to the non-socialist countries," they may also "import energy-yielding raw materials and energy from the developing countries." Most immediately, this refers to the growth of Czechoslovak, as well as Yugoslav and Hungarian, purchases of Middle Eastern oil delivered through the Adriatic pipeline now under construction. But the anticipation of more intermeshed East-West and North-South energy-centered trade is not limited to those deals, and reflects a Soviet sector policy priority that matches that of the West European and developing sector interests which seek an international economic recovery based on technology transfer for third world industrialization.

—Rachel Douglas