

Overview

The oil and gas industry is the major and most rapidly growing industry in Kazakhstan. Oil and gas revenue accounts for a significant part of Kazakhstan's GDP, its Budget and foreign trade receipts. Kazakhstan holds vast hydrocarbon reserves, including potentially the third largest oil reserves in the world, following Saudi Arabia and Iraq. Proven sea and land hydrocarbon reserves of Kazakhstan are estimated at about 30 billion barrels. About 70% of those reserves are located in the west of Kazakhstan and a considerable majority of them are associated with salt deposits at the depth of more than 5000 meters. Potential oil reserves of Kazakhstan (located mainly in the Caspian Sea region) are estimated at 60 billion barrels.

Largest Oil Fields

- | | |
|----------------|-----------------------|
| • Tengiz | • Karazhanbas |
| • Kashagan | • Kumkol |
| • Karachaganak | • North Buzachi |
| • Uzen | • Alibekmola |
| • Zhetybai | • Central and Eastern |
| • Zhanazhol | Prorva |
| • Kalamkas | • Kenbai |
| • Kenkiyak | • Korolevskoye |

Oil & Gas Fields

Kazakhstan is among the top 15 countries in the world when it comes to essential oil reserves, having 3% of the world's total oil reserves. 62% of the country is occupied by oil and gas areas, and there are 172 oil fields, of which more than 80 are under development. Oil fields can be found in six of the fourteen provinces of Kazakhstan. They are the Aktobe, Atyrau, West Kazakhstan, Karaganda, Kyzylorda and Mangystau provinces. About 70% of the hydrocarbon reserves are concentrated in western Kazakhstan.

The Atyrau province holds claim to the most significant amount of oil fields, in which more than 75 fields have commercial reserves of 930 million tons. The largest field in the province is Tengiz (with 781.1 million tons of initial recoverable reserves). The remaining fields in the area have around 150 million tonnes of initial recoverable reserves. More than half of those are concentrated in two fields: Korolevskoye (55.1 million tons) and Kenbai (30.9 million tons).

Proven Hydrocarbon Reserves

4.8 Billion Tons

Investment in Oil & Gas

\$12 Million (2016)

Total Production of Oil and Condensate

60.17 Million Tons
(Jan-Oct 2017)

Major Export Crude Type

CPC Blend **45.3 ° API**

Fiscal Regime

In Kazakhstan, oil and gas E&P concessions are referred to as “subsurface use contracts.” The taxes applicable to subsurface users are as follows:

Applicable Taxes	Rate
Bonuses	Variable
Mineral Extraction Tax (MET)	0.5% to 18%
Excess Profit Tax (EPT)	0% to 60%
Payment of compensation of Historical Cost	Variable
Rent Tax on Export	0% to 32%
Excise on crude oil and gas condensate	KZT 0 per ton
Land Tax	Generally immaterial
Asset Tax	1.5%
Environmental fees	Variable
Value-added Tax (VAT)	12%
Crude oil export duty	Variable

Major Oil Companies

KazMunaiGaz is the national oil company

Tengizchevroil LLP is the largest oil company