

# Ukraine

## A Solid Strategic Partnership

An Interview with His Excellency Oleh Shamshur, Ambassador of Ukraine to the United States, Embassy of Ukraine, Washington, DC



His Excellency Oleh Shamshur

**EDITORS' NOTE** A cum laude graduate of T. Shevchenko Kyiv University, Oleh Shamshur assumed his present position in 2006. Among the notable positions he has held in the public sector are First Secretary and Counselor of the Permanent Mission of Ukraine to the United Nations (1993-1996); Deputy Chairman of the Ukrainian State Committee for Nationalities and Migration (1996-1998); Minister-Counselor of the Embassy of Ukraine to Belgium, the Netherlands, and Luxembourg (1998-2003); head of the European Union department for the Ukrainian Ministry of Foreign Affairs (2003-2004); and Ukrainian Deputy Minister of Foreign Affairs (2004-2006).

### What should our readers know about the bilateral relationship between Ukraine and the United States?

Our relations with the United States have a strategic character defined by the April 2005 Joint Statement of Presidents Victor Yushchenko and George W. Bush. This partnership is based upon shared democratic values, adherence to free-market principles, and a common vision of a safer and more prosperous future for our two nations and the world. Our relations have been increasingly characterized by mutual trust and the determination to work together to ensure peace and stability in Europe, combat international terrorism, promote democracy and human rights, and commonly address urgent global issues, such as the proliferation of weapons of mass destruction, organized crime, trafficking, and HIV/AIDS.

For example, through our common work, Ukraine was able to voluntarily renounce and dispose of its arsenal of nuclear weapons. In addition, our peacekeepers have been standing together in Bosnia and Kosovo. Ukrainian Antonov aircraft have been carrying cargo to Afghanistan to assist U.S. and other NATO troops. Eight years ago, Ukraine, the U.S., Norway, and Russia started the Sea Launch program. Since then, Ukrainian Zenith rockets made 24 launches, putting dozens of satellites into orbit, including those that ensure XM broadcasting in the United States.

### In what ways will the bilateral relationship between Ukraine and the United States evolve?

We are setting a largely new agenda of bilateral cooperation based on the successful implementation of the Presidents' Joint Statement. We have three major objectives: The first is to further enhance the strategic character of Ukraine-U.S. relations through intensifying and deepening our political dialog and interaction to address regional and global issues that are vital to our nations. Secondly, we seek a radical increase in bilateral trade and economic exchanges, as \$2.2 billion of trade turnover and \$1.5 billion in investment in Ukraine fall short of the potential. Investment is essential in areas such as agriculture, metallurgy, chemicals, aerospace, aircraft manufacturing, telecommunications, financial services, and energy. Third, we want to develop a vibrant network of contacts, targeting young people from both countries.

Life in Ukraine is sometimes challenging, but we have irreversibly embarked upon the road to democracy and a market economy. We learn fast and have encouraging prospects. We offer America a solid strategic partnership and promising cooperation. We have a number of common challenges and objectives, and Ukraine holds the key to resolving many of them. ●

## Exploring the Black Sea

An Interview with Gene Van Dyke, Chairman, Vanco Energy Company, Houston, Texas



Gene Van Dyke

**EDITORS' NOTE** Gene Van Dyke has more than 50 years' experience in the oil and gas industry. A graduate of the University of Oklahoma with a B.S. in geological engineering, his career began in 1951 as an independent producer and operator in Wichita Falls, Texas. From 1958 to 1973, he concentrated on exploration and production activities primarily in the Texas Gulf Coast and southern Louisiana. In 1973, he chose to devote his company exclusively to international offshore exploration, beginning with the North Sea, where he was responsible for many of the significant oil and gas discoveries offshore in The Netherlands. In 1996,

Van Dyke turned his company's activities to deep-water exploration. Vanco acquired and evaluated large frontier blocks in several countries in West Africa, and the company now holds licenses in Morocco, Côte d'Ivoire, Ghana, Equatorial Guinea, and Gabon. In 2006, Vanco won the rights to negotiate a production-sharing contract with the government of Ukraine covering the high-potential Prykerchenska area of the Ukrainian Black Sea.

**COMPANY BRIEF** Vanco Energy Company ([www.vancoenergy.com](http://www.vancoenergy.com)) is an independent oil and gas company based in Houston, Texas, with principal holdings in offshore deepwater Africa and the Black Sea. For over 50 years, Vanco Founder and Chairman Gene Van Dyke has involved Vanco and its predecessors in domestic and international exploration and production activity.

### Why did Vanco Energy strongly compete for and win the first offshore Black Sea production-sharing agreement for hydrocarbons with the Ukrainian government?

The Black Sea is one of the only unexplored basins in the world. Its water depth of up to 2,100 meters has held back exploration, although it has the same petroleum potential as the Caspian. The north half of the Black Sea is under the jurisdiction of Ukraine. Several years ago, Vanco purchased an extensive two-dimensional seismic program of the Black Sea portion of Ukraine. It indicated a number of very large structures, most of which had direct hydrocarbon indicators. The Ukrainian government put the Prykerchenska block up for bid – a total of 3.2 million acres southeast of the Crimea, in depths from 100 to 2,100 meters. Vanco reviewed its potential, decided it had an excellent chance of containing major oil and gas reserves, filed an application for it, and, in a competitive bid, was awarded the right to negotiate a production-sharing contract.

### What are Vanco Energy's short- and long-term plans and prospects for the Prykerchenska area of the northern Black Sea?

The Atwood Southern Cross is a deepwater semi-submersible. It is currently drilling in the western portion of the Black Sea, and is scheduled to drill for Vanco in the northeastern portion of our block. During 2007 and 2008, we plan to conduct a three-dimensional seismic program of 3,000 square kilometers and start making plans for drilling on Tetyaev, which is a very large structure in 2,100-meter-deep water. We have mapped many structures on our Prykerchenska license, and feel it has great potential for both oil and gas, and can contribute significantly to Ukraine becoming energy independent. ●