

Israel Approves Leviathan OffShore Gas Deal



Reuters [reported](#) that Israel has reached a deal to develop the important Leviathan offshore gas field after difficult negotiations with development partners, Houston-based Noble Energy, Inc. and Israeli Partner, Delek Group:

Aug 13 Israel's government said on Thursday it reached a deal that will pave the way for the development of Leviathan and two other offshore [natural gas](#) wells.

"The outline will bring Israel hundreds of billions of shekels in the coming years," Prime Minister Benjamin Netanyahu told a news conference, saying he will present the agreement to the cabinet on Sunday for a vote.

The controversial deal initially revealed in June will allow Texas-based Noble Energy and Israel's Delek Group to keep ownership of the largest offshore field, Leviathan. They are required to sell off other assets, including stakes in another large deposit called Tamar.

Critics say the agreement still leaves Noble and Delek with too much power since they would control most of Israel's gas reserves.

Netanyahu, who has struggled to muster enough support for an agreement, earlier this week won crucial backing from the central bank.

What a difference a day makes. Noble Energy had threatened to walk after the narishkeit of Dr. Gilo and his Socialist minions reneged on a compromise deal last December. Now, as we

have written, Israel and trilateral alliance of Cyprus and Greece can develop a major source of energy in their respective Exclusive Economic Zones in the Eastern Mediterranean and Levant Basins. good to see the spikes in trading for both Houston-based Noble Energy in early trading on the NYSE and Delek Group on the Tel Aviv Stock Exchanges. Sometimes, as the expression goes, Ha Shem works in mysterious, yet positive ways. Kudos to patient Israeli Prime Minister Netanyahu, Energy Minister Steinitz and Bank of Israel Governor, Dr. Karnit Flug.