

**Opening Remarks by Dr. Victor Der**  
**Principal Deputy Assistant Secretary of Fossil Energy**  
**10:00AM, September 27, 2009**  
**U.S.-China Unconventional Natural Gas Technology**  
**Session**  
**Qingdao, China**

Good morning. It is with great pleasure that I join our Chinese government counterparts and U.S. and Chinese oil and gas industry officials at today's Unconventional Natural Gas Technology session.

Director General Zhang has outlined a very complete picture of the oil and gas potential and resource opportunities in China.

Having spent over 35 years with the U.S. Department of Energy, I have been fortunate to see the evolution of the natural gas industry, and witness a number of new technologies change the way we produce natural gas. As a result, I am excited to hear today's discussion topics, which focus on a number of technical innovations related to shale gas, tight sands, and coal bed methane.

Looking at the agenda, it appears we have a very busy schedule with a number of prominent companies, including Newfield Exploration, ConocoPhillips, GE, Devon Energy, Far East Energy, ExxonMobil, and Halliburton from the United States. We also have a number of highly respected Chinese oil and gas companies, and we look forward to hearing their presentations. Among the topics discussed will include both advances and challenges to producing unconventional natural gas.

I now turn the floor over to today's moderator.

Thank you.