

---

## **IRAQ RAMPING UP OIL OUTPUT TO NEW HEIGHTS**

13.10.2016

---

Oil Price, 12 October 2016

Iraq's oil output in Kurdistan is set to increase when Norway's DNO completes its plans to add four new wells in the Tawke field. The company has already completed three wells and is drilling the last one, which should come online next week.

The four new wells will add 10 percent to the daily production capacity of the field, DNO said. In the third quarter of the year, output from Tawke averaged 109,000 barrels of crude daily. Most of this was exported via Turkey.

The four new wells, which cost it around US\$20 million in total, are part of the Norwegian company's plan to boost production at the Tawke announced earlier this year. In the next few months, the company will drill more wells, aiming to bring the total from the field to 135,000 bpd.

DNO's plans for its Iraqi operations are unfolding amid record exports from OPEC's second-largest producer, which last month reached 3.276 million bpd, thanks in part to the renewed shipments via the Turkish port of Ceyhan, following an agreement between Baghdad and the Kurdistan Regional Government. These were the first Ceyhan shipments in over a year, according to the Iraq Oil Report. In August, Iraq exported 3.23 million bpd.

Thanks to the deal with the federal government, the KRG reported oil revenues of US\$328 million for September, shipping a daily average of 564,808 barrels. The monthly total stood at 16.94 million barrels, up by more than 4 million barrels, according to the autonomous region's Ministry of Resources.

Meanwhile, production cuts are looking to be a tough sell to Iraq by other OPEC members, who are trying to stabilize the market through an overall cut by the group. The country has questioned OPECs quota calculation methods and has repeatedly indicated it wanted to boost its overall output in a bid to refill its coffers, which suffered the combined effect of low oil prices and higher expenditure because of the war against IS.

Iraq commemorates Shi'ite mourning amid preparations to attack Mosul

---

Kaynak/Source: