
IRAQ SIGNS DEAL WITH SCHLUMBERGER TO BOOST OUTPUT AT MAJNOON OIL FIELD

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Iraq has struck an agreement with the worlds largest oilfield service provider Schumberger to drill 40 wells at the Majnoon oil field as it looks to boost production at the giant field, the Iraqi oil ministry said on Wednesday.

Schlumberger is also working on a 42-month integrated drilling services (IDS) contract for 30 wells in the West Qurna oil field in Iraq, under a recent deal with ExxonMobil Iraq.

Separately, the Iraqi state-run Basra Oil Company, which now manages the Majnoon field, signed a deal on Wednesday with another state-run entity, Oil Exploration Company, to conduct 3D seismic surveys of the field.

Carrying out a three-dimensional seismic survey by the Oil Exploration Company in Majnoon will help to obtain accurate data and boost production at the field, Reuters quoted Iraqs Oil Minister Thamir Ghadhban as saying in a statement.

Currently, the Majnoon oil field pumps around 240,000 bpd, according to the Iraqi oil ministry. Iraq has had plans to increase production at the giant oil field since Shell said in 2017 that it wanted out of the oil field.

In June this year, Shell handed over the operations of the Majnoon oilfield to Basra Oil Company, exiting the field as it said last year it would do.

Last year, Shell said that it would sell its interest in the Majnoon oilfield after the oil major and Iraq failed to agree on future production plans and investment budgets. After months of negotiations, Shell agreed at the end of 2017 to exit the venture and hand over its operation to Basra Oil Company (BOC) by the end of June 2018. Shell was the operator and holder of 45 percent at Majnoon, with Malaysias Petronas owning 30 percent, and Iraqs Missan Oil Company holding the remaining 25 percent.

At the end of December 2017, Iraq said that it had formed a management team to take over operations from Shell after the oil major exits the field by the end of June. Iraq wants to raise production at Majnoon from the current 235,000 bpd to around 400,000 bpd in the coming years.

<https://oilprice.com/Latest-Energy-News/World-News/Iraq-Signs-Deal-With-Schlumberger-To-Boost-Output-At-Majnoon-Oil-Field.html>

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