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## **CANADIAN OIL COMPANY TO LAUNCH NEW DRILLING RIG IN AZERBAIJAN**

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Canadian company Zenith Energy will launch the BD-260 drilling rig at the C-37 well of the Jafarli onshore field within the next 48 hours.

According to the information, the market participants will be informed about this as soon as the BD-260 drilling rig will be fully equipped, Report informs citing the company.

Andrea Cattaneo, CEO of Canadas Zenith Energy, noted that the start of potentially transformational well deepening program in the Jafarli Field in Azerbaijan is inevitable.

We are extremely excited by the current progress and look forward to seeing the rig will be fully prepared, he said.

BD-260 drilling rig was imported from the factory in Italy.

The drilling will take maximum three weeks. Then the company will proceed with deepening of C-40 well. Thus, the results of two well deepening will allow to decide on where to make the first fully new well.

Zenith Energy is an international oil and gas production company operating the largest onshore block of oil fields Muradkhanli-Jafarli-Zardab in Azerbaijan.

Zenith Energy Company has recently attracted funds of 607,000 pounds from shares in Canada and the UK to increase investment and general business operations in Azerbaijan.

The company plans to increase the production directly through drilling campaign.

Azerbaijans state oil company SOCAR and Zenith Aran Oil Company signed a Rehabilitation, Exploration, Development and Production Sharing Agreement (REDPSA) in March 2016 for a block that includes the Muradkhanli, Jafarli and Zardab oil fields. Zenith Energy Ltd established its subsidiary company Zenith Aran Oil Company Ltd for production operations in these three fields.

The agreement was ratified by the Azerbaijani Parliament on June 14 and the production under the agreement began in August of 2016.

Zenith holds a 80-percent participating interest in the three fields within the contract area, while SOCAR retains the remaining 20 percent. The duration of the agreement is 25 years, with a

potential extension of 5 additional years.

The Muradkhanli-Jafarli-Zardab block is located in the Yevlakh-Agjabadi oil and gas region of Imishli district of Azerbaijan. The Muradkhanli field was discovered in 1971, Jafarli - in 1984, and Zardab - in 1981.

The total area of the Muradkhanli, Jafarli and Zardab fields is 642.4 square kilometers, and according to the contract, it is divided into rehabilitation and exploration territories.

In general, it is expected to produce 7.399 million barrels of oil from the onshore fields in Azerbaijan. While, production at Muradkhanli-Jafarli-Zardab block is expected to increase by 1.67 percent to 0.122 million barrels.

[https://www.azernews.az/oil\\_and\\_gas/147877.html](https://www.azernews.az/oil_and_gas/147877.html)

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