



# Iraq Upstream Oil Sector: **Grounds for Cooperation**

Iran – Iraq Chamber of Commerce | Tehran, Iran | January 22, 2018  
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# Outline

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- Upstream Oil Sector
- Previous Contracts
- New Round
- Grounds for cooperation



# 3 Upstream oil sector

## At a Glance

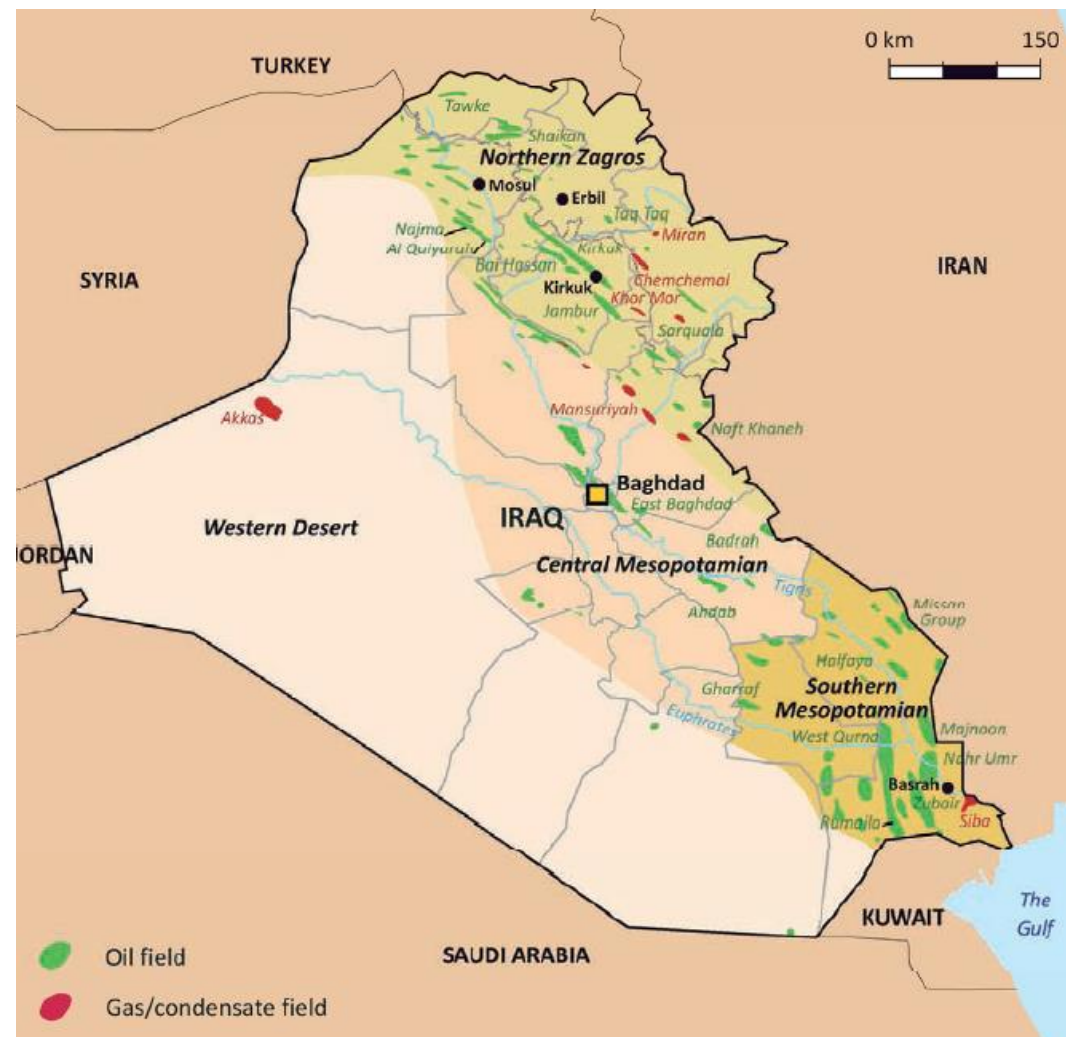
- Oil Reserves: 149 bn bb, Gas Reserves: 3.8 tr cum
- Oil Production: 4.6 mbpd, Exports: 3.8 mbpd
- Production Capacity by year-end: 5 mbpd
- Gas Production: 1.6 BCM, Consumption: 2 BCM
- Refined Products Consumption: 680 kbpd, Production: 500 kbpd
- Active rigs (2016): 44, Wells completed (2016): 131

# Upstream oil sector

## Oil reserves

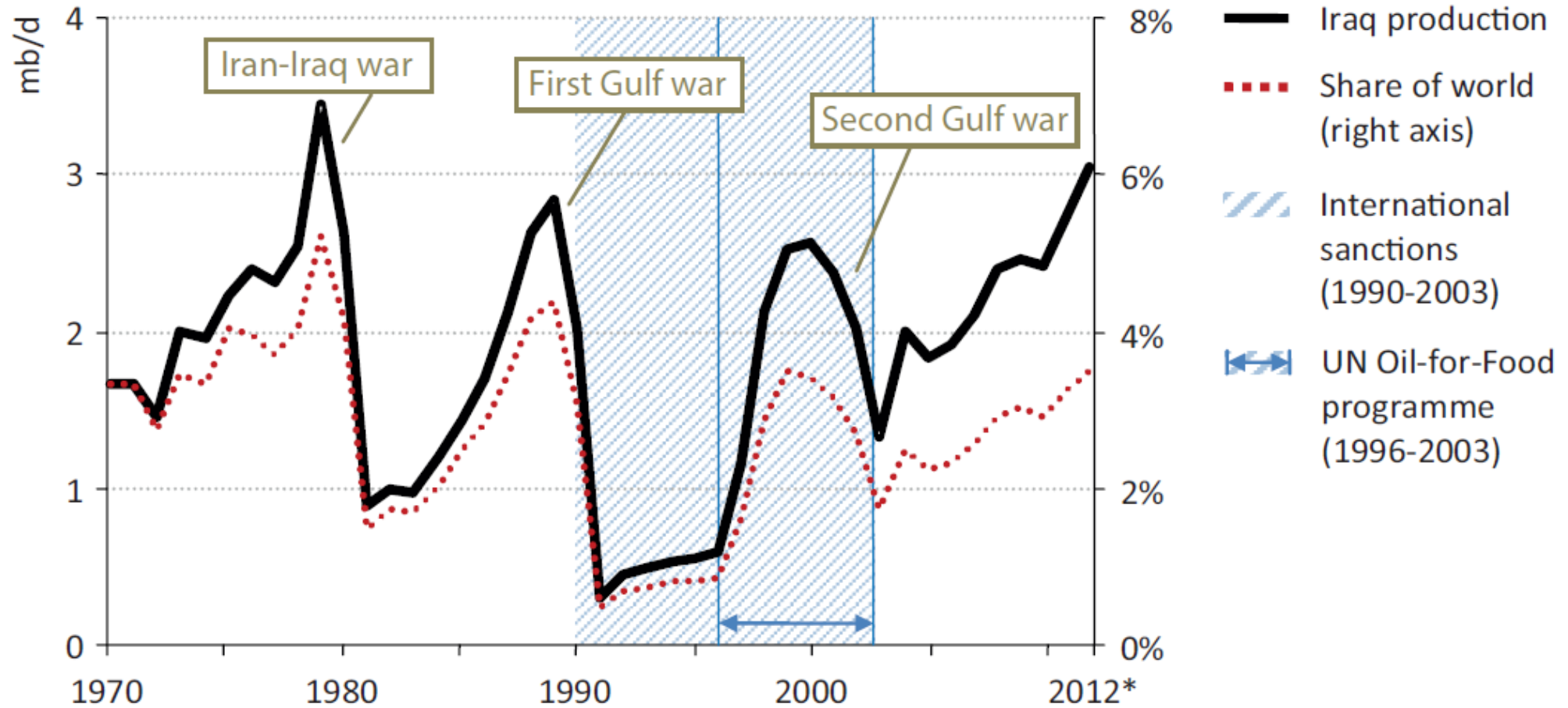
	Proven** reserves, end-2011	Ultimately recoverable resources	Cumulative production, end-2011	Remaining recoverable resources	Remaining % of ultimately recoverable resources
<b>Southern Mesopotamian</b>	<b>107</b>	<b>135</b>	<b>18</b>	<b>116</b>	<b>86%</b>
West Qurna	43	44	1	43	98%
Rumaila	17	31	14	17	54%
Majnoon	12	12	0	12	99%
Zubair	8	10	2	8	80%
Nahr Umr	6	6	0	6	98%
<b>Central Mesopotamian</b>	<b>12</b>	<b>19</b>	<b>0</b>	<b>18</b>	<b>99%</b>
East Baghdad	8	8	0	8	100%
<b>Northern Zagros Foldbelt</b>	<b>24</b>	<b>66</b>	<b>17</b>	<b>49</b>	<b>75%</b>
Kirkuk	9	23	14	9	38%
<b>Western Desert</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>13</b>	<b>100%</b>
<b>Total Iraq</b>	<b>143</b>	<b>232</b>	<b>35</b>	<b>197</b>	<b>85%</b>

	Proven* reserves, end-2011	Ultimately recoverable resources**	Cumulative production, end-2011	Remaining recoverable resources	Remaining % of ultimately recoverable resources
<b>Southern Mesopotamian</b>	<b>2 202</b>	<b>4 298</b>	<b>351</b>	<b>3 947</b>	<b>92%</b>
West Qurna	780	1 139	18	1 121	98%
Rumaila	332	838	288	550	66%
Majnoon	203	388	2	386	99%
Zubair	156	334	39	295	88%
Nahr Umr	193	379	4	375	99%
<b>Central Mesopotamian</b>	<b>179</b>	<b>700</b>	<b>1</b>	<b>700</b>	<b>100%</b>
East Baghdad	126	367	1	367	100%
<b>Northern Zagros Foldbelt</b>	<b>993</b>	<b>2 027</b>	<b>158</b>	<b>1 869</b>	<b>92%</b>
Kirkuk	248	256	154	102	40%
<b>Western Desert</b>	<b>60</b>	<b>906</b>	<b>0</b>	<b>906</b>	<b>100%</b>
<b>Total Iraq</b>	<b>3 435</b>	<b>7 932</b>	<b>510</b>	<b>7 422</b>	<b>94%</b>
Associated	2 558	5 279	505	4 773	90%
Non-associated	876	2 653	5	2 649	100%



# Upstream oil sector

## Historical fluctuations

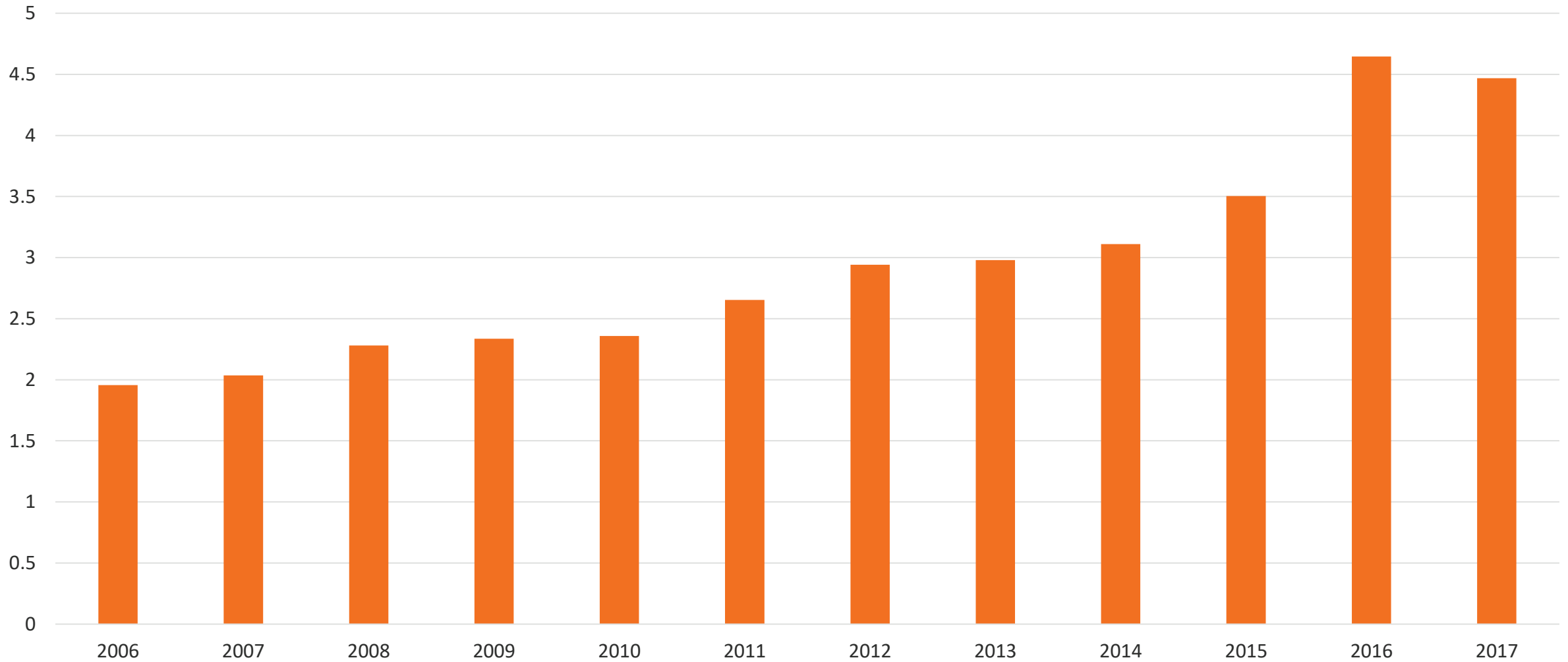


\* Based on first five months.



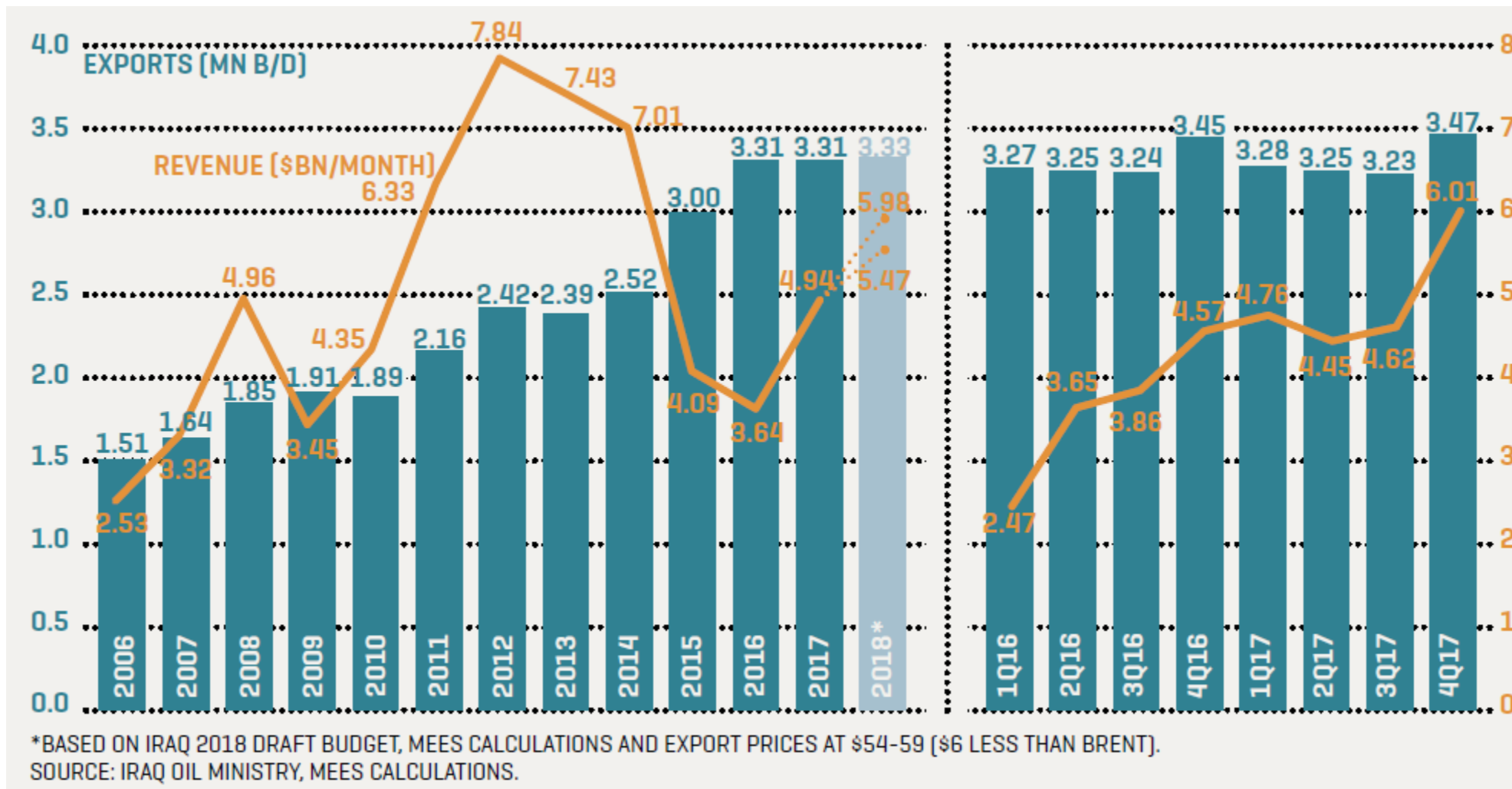
# Upstream oil sector

## Oil production



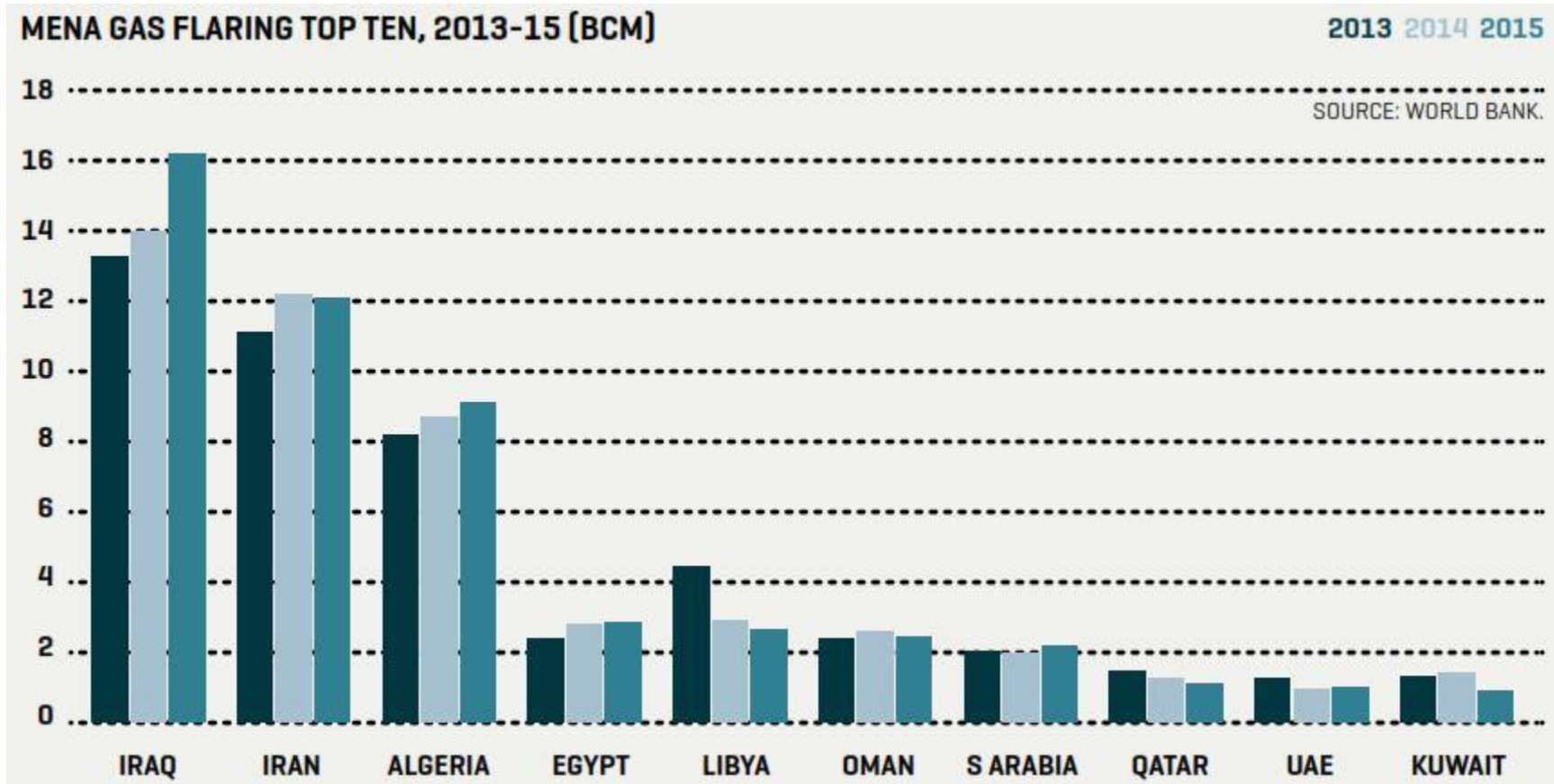
# Upstream oil sector

## Oil exports & revenue



# Upstream oil sector

## Gas flaring

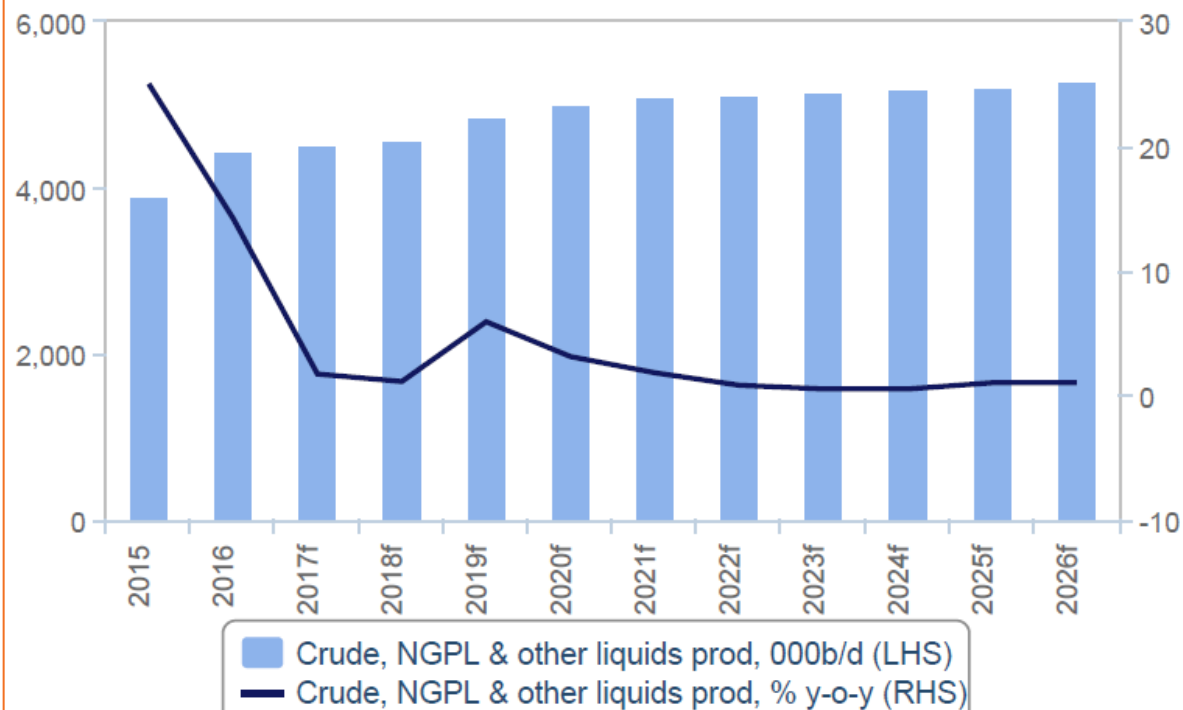




# Upstream oil sector Forecast

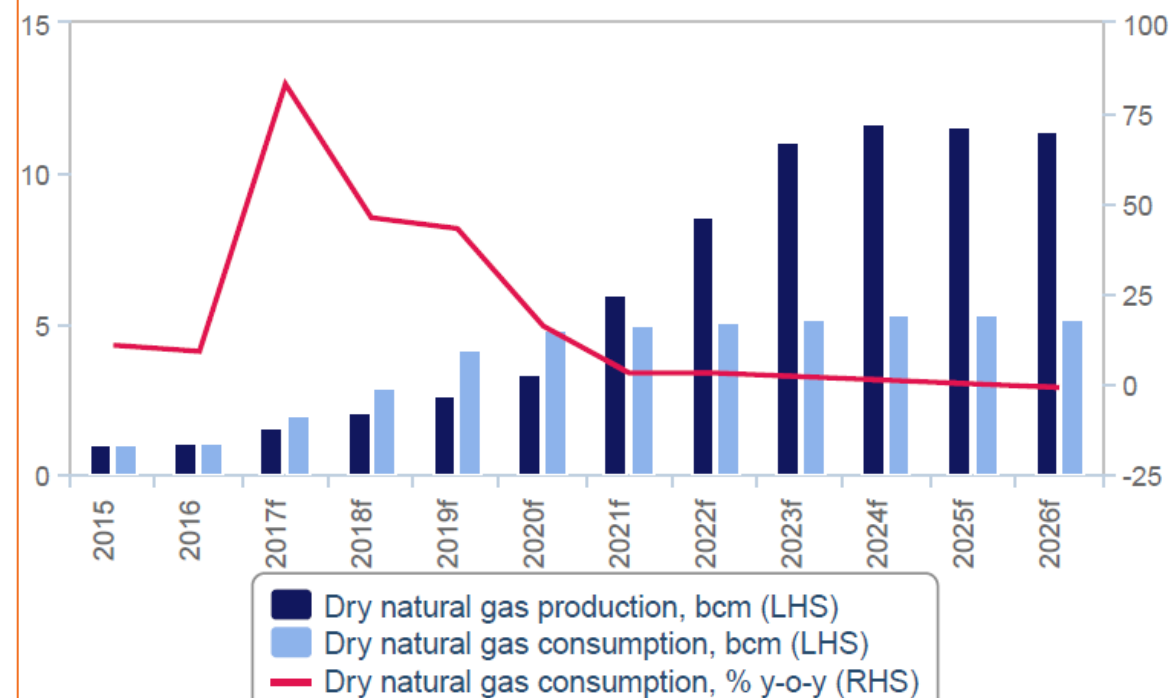
## Oil Production Forecast

(2015-2026)



## Gas Production and Consumption Forecast

(2015-2026)



# Previous Contracts

## TSA

- Duration of TSC/DPSC — 20 years extendable to 25 years
- Remuneration — Fixed remuneration fee per barrel based on a sliding
- R-factor and a plateau rate ( performance factor)2 and 25 % share of
- Cost contribution — Full carry of all costs, including petroleum and supplementary costs, with possible recovery
- Signature bonus — Varies
- Cost recovery — capped at 50% of petroleum revenue

# Previous contracts

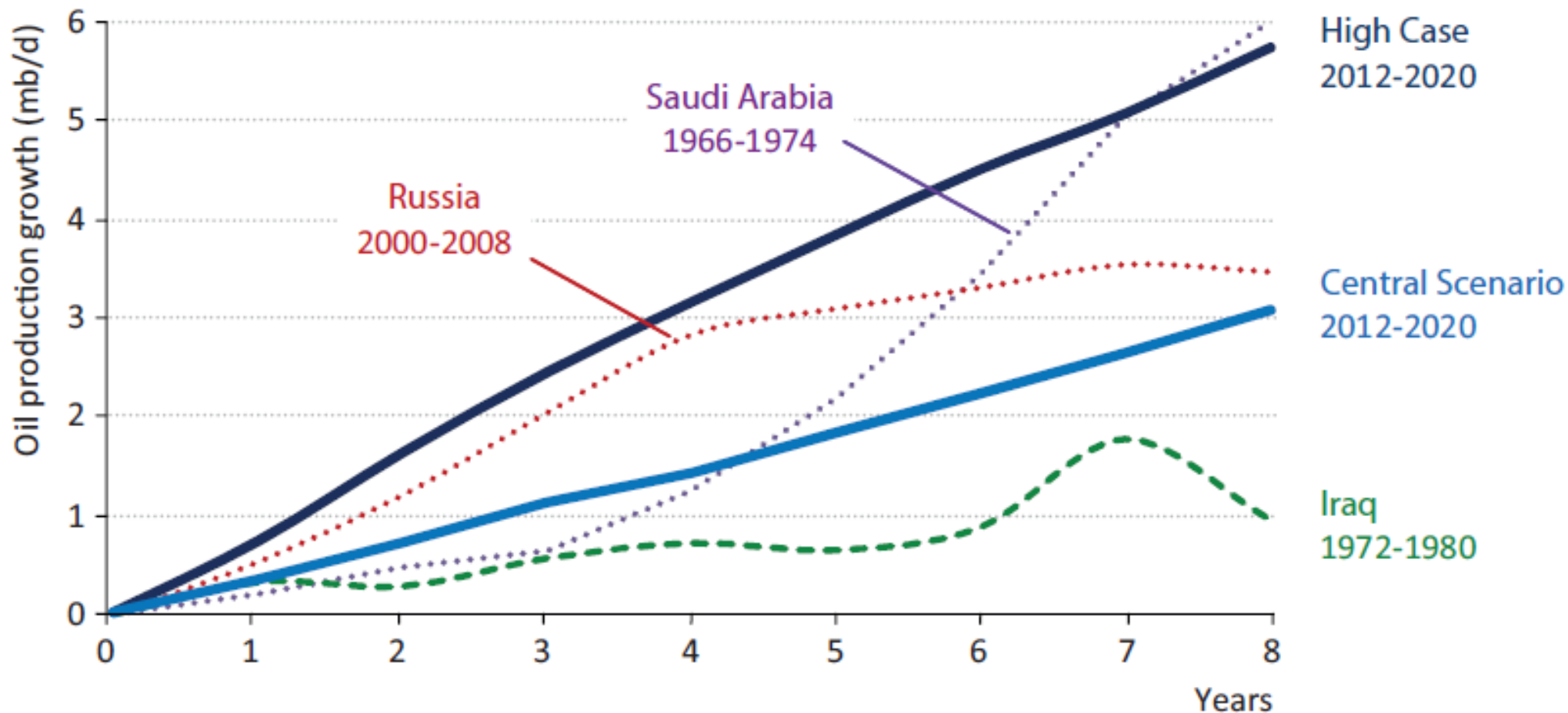
## Bid rounds

Bid round	Project or licensing block	Operator	Type	Production*			Max. fee**
				Initial Target	June 2012	Plateau target	
2008	Ahdab	Petrochina	Oil	25	129	140	6.00
One (2009)	Rumaila	BP	Oil	1 173	1 279	2 850	2.00
	West Qurna (I)	ExxonMobil	Oil	268	417	2 825	1.90
	Zubair	Eni	Oil	201	225	1 200	2.00
	Missan Group	CNOOC	Oil	97	91	450	2.30
Two (2009)	West Qurna (II)	Lukoil	Oil	120	-	1 800	1.15
	Majnoon	Shell	Oil	175	21	1 800	1.39
	Halfaya	Petrochina	Oil	70	34	535	1.40
	Gharraf	Petronas	Oil	35	-	230	1.49
	Badra	GazpromNeft	Oil	15	-	170	5.50
	Qairayah	Sonangol	Heavy oil	30	2	120	5.00
Three (2010)	Najmah	Sonangol	Heavy oil	20	-	110	6.00
	Akkas	KOGAS	Gas	1.03	-	4.1	5.50
	Mansuriyah	TPAO	Gas	0.78	-	3.1	7.00
Four (2012)	Siba	Kuwait Energy	Gas	0.26	-	1.0	7.50
	Block 8	Pakistan Petroleum	Gas-prone	n/a	-	n/a	5.38
	Block 9	Kuwait Energy	Oil-prone	n/a	-	n/a	6.24
	Block 10	Lukoil	Oil-prone	n/a	-	n/a	5.99
	Block 12	Bashneft	Oil-prone	n/a	-	n/a	5.00

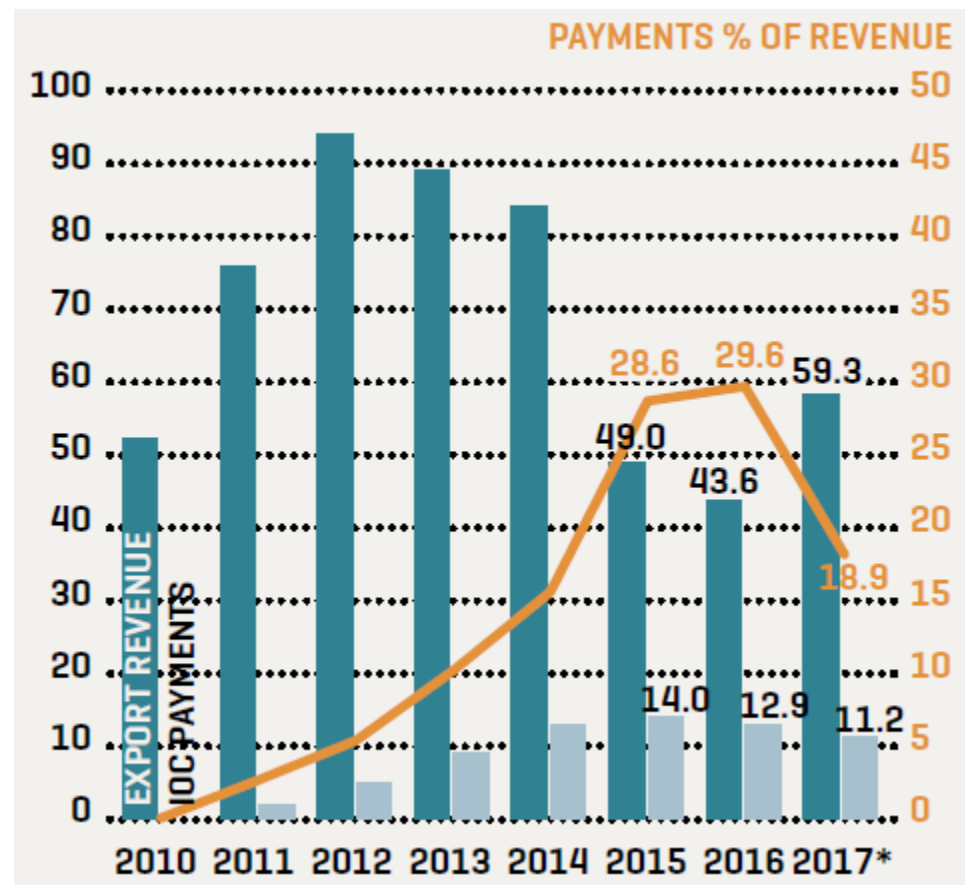
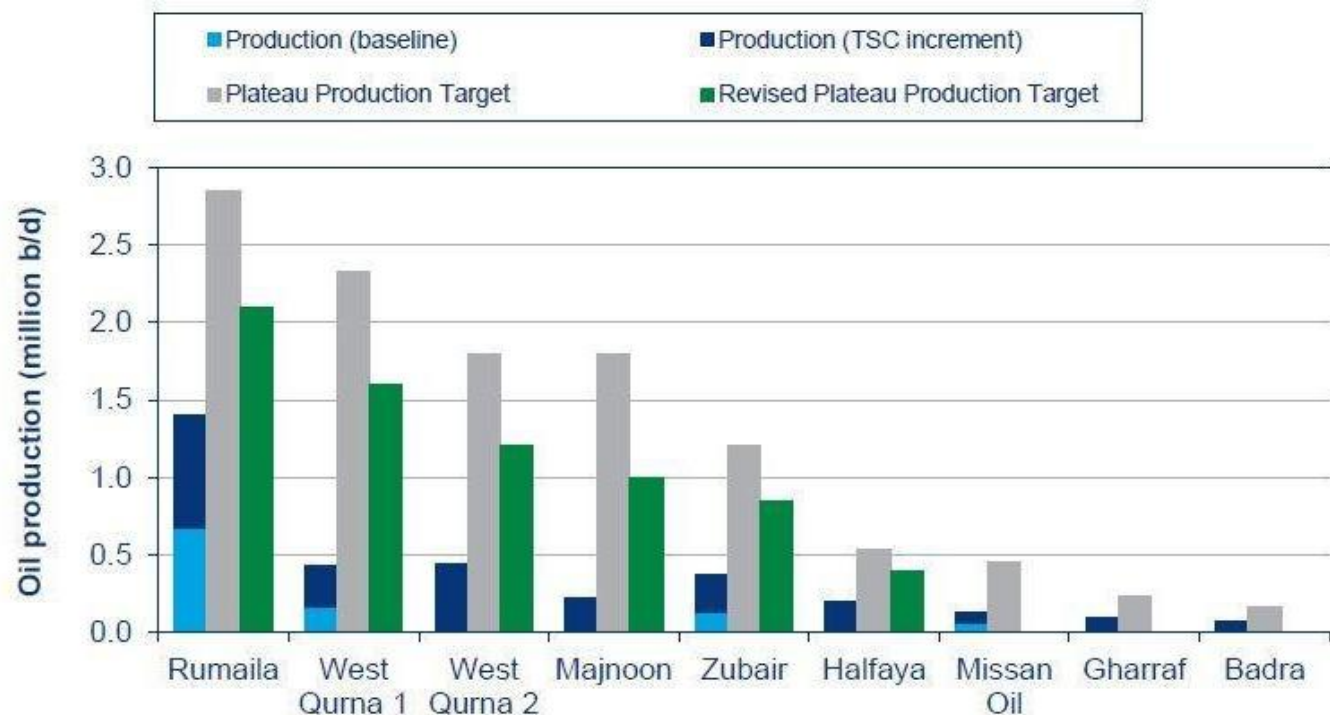
\* Production figures are in kb/d for oil projects and bcm per year for gas projects. \*\* The maximum remuneration fee (Max. fee) is in US dollars per barrel of oil equivalent.

# Previous contracts

## Production outlook in 2012



# Previous contracts Performance



# New round Schedule

<b>The deadline for receiving the pre-qualification documents of companies that have applied for qualification.</b>	<b>19.11.2017</b>
<b>Announcement of the qualification results and starting to sell the Data Package</b>	<b>29.11.2017</b>
<b>The deadline to submit the companies' proposals for the commercial model</b>	<b>14.12.2017</b>
<b>Convene a Roadshow to discuss the general principles of contract and the commercial models submitted by companies.</b>	<b>25.01.2018</b>
<b>Issuing the initial draft of the contract and the initial tender protocol and inviting companies to submit their comments on them.</b>	<b>28.02.2018</b>
<b>The deadline for receiving the companies' comments on the initial draft of the contract and the initial tender protocol.</b>	<b>15.03.2018</b>
<b>Conduct a workshop to discuss companies' comments regarding the initial draft of the contract and the initial tender protocol.</b>	<b>30.04.2018</b>
<b>Issuing the model contract and the final tender protocol.</b>	<b>31.05.2018</b>
<b>Conducting the bidding process.</b>	<b>21.06.2018</b>

# New round

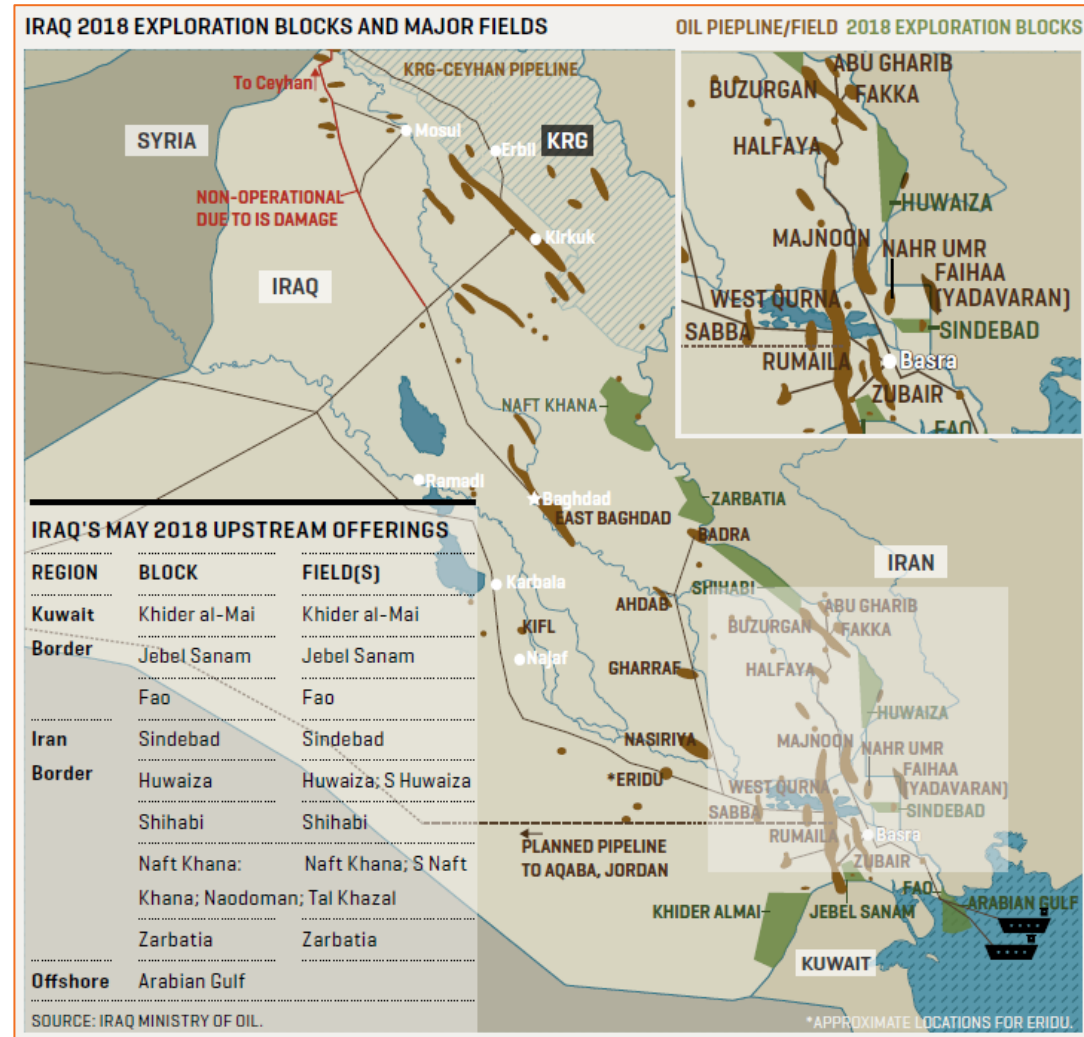
## Qualified companies

### PREVIOUSLY QUALIFIED FIRMS

BP [UK]	China ZhenHua [China]
Total [France]	Daqing Oil Field [China]
Shell [Netherlands]	United Energy Group [China]
ExxonMobil [USA]	Petronas [Malaysia]
Eni [Italy]	Pertamina [Indonesia]
Gazprom [Russia]	Itochu [Japan]
Lukoil [Russia]	Kogas [South Korea]
JSOC Bashneft [Russia]	ONGC Videsh [India]
CNPC [China]	Pakistan Petroleum [Pakistan]
CNOOC [China]	Crescent Petroleum [UAE]
Sinopec [China]	

Firm	Country	State/Private
Dana Gas	UAE	Private
Dragon Oil [Enoc]	UAE	State
Geo-Jade Petroleum	China	Private
Schlumberger	USA	Private
Zarubezhneft	Russia	State

# New round Fields on offer





# Grounds for cooperation

## Cross-border fields

Name in Iraq	Name in Iran
Majnoon	Yaran / Azadegan
Huwaiza	Sohrab
Badra	Azar
Naft Khana	Naft Shahr
Sinbad? / Nahr- Bin Umr	Yadavaran
Sinbad	Khorramshahr
Abu Ghraib	Aban
	Dehloran
Jebel-Al-Fauqi (Fakkah)	West Paydar

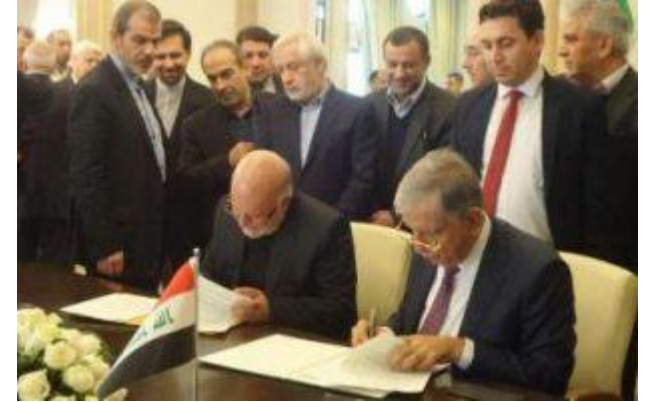
Name in Iraq	Name in Iran
Siba	No hydrocarbon
Mandali	Unknown
Buzargan	---
Chiasorkh	---
Darbandkhan	Under Exploration
Bizal	Under Exploration

Name in Iraq	Name in Iran
---	Arvand
Unknown	Minoo Block

# Grounds for cooperation

## Common interests

- Under-development
- Under-explored fields
- Lower cost
- Optimum field development scenario
- Less conflicts
- Small fields



# Thanks for your attention

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