

More development on its way

Throughout the past eight years, the Ministry of Petroleum has been implementing an ambitious plan to develop its fields, whether the newly discovered ones or the brownfields. The results of this strategy reflect the value of the country's fields that are still fruitful. More development plans are yet to come

By Shady Ahmed
Tamer Abdel Aziz

Comparing the areas of interest in terms of their needs for development wheel, the Gulf of Suez comes first as it accommodates lots of old fields that have been producing for nearly 40 years. Currently, major companies have allocated huge budgets to renew the production facilities of this area's fields, such as the General Petroleum Company (GPC), the Gulf of Suez Petroleum Company (GUPCO) and its partner BP.

Throughout the fiscal year of 2009-2010, the number of discoveries attained played a major role in enhancing the rate of oil and gas production in the country. the area of Western Desert enjoyed the largest number of achievements as 15 discoveries were hit. The U.S Apache was ranked first in terms of its discoveries that counted for six, followed by Merlon Fayyoun with five and then Shell Egypt, Edison, Naftogaz and Enap Sipetrol each had one discovery.

In the second place comes the Nile Delta with two discoveries achieved by Melrose, followed by the Eastern Desert and Sinai in the third place, each with one discovery.

The Ministry strategy to increase the oil and gas production rate was not solely supported by the number of discoveries attained, but also by the number of development projects held during this fiscal year. The list of development plans approved by the Ministry included, but not limited to:

1- Developing South Khelala (a discovery that was achieved by Melrose): the plan is to develop the gas discovery of South Khelala-1, located in the Nile Delta

2- Developing Apache's Sohba-1X in

the company's concession area of East Beni Suef, situated in the Western Desert

3- Developing Apache's North Neith with a total investment of \$84 million for drilling operations and production facilities

4- Developing the oil discovery of NTRK-CIXST4 well (Apache) in the concession area of North Tarek in the Western Desert

5- Developing West Wadi Al-Rayan (an oil discovery hit by Italian Edison in which the WWER-2X well to be developed), located in the Western Desert

6- Developing North East Abu Al-Gharadiq-3 in the Western Desert (an oil discovery by Shell Egypt), including the development of NEAG C6-1 well

7- Developing Apache's oil discovery of Phoebes -6 in the concession area of Shushan in the Western Desert

8- Developing West Kalabsha field in which both oil and gas discoveries of WKAL A-2XST and WKAL 1-X to be developed with a total investment of \$10 million for the drilling and production facilities

9- Developing the oil discovery of Geyyad achieved by Vegas Oil & Gas, in the concession area of North West Gemsa with investments worth \$2.9 million for drilling and production facilities

"Following the Ministry's field development strategy, we succeeded to repair and maintain a large number of wells and put them back on production line. We have also drilled five new development wells in the western area of Ras Fanar field with a total investment of \$30 million. The daily production rate reached up to 4000 barrels," said Eng. Abdel Khalek Al-Tahawy, Operations Manager at the Suez Company for Oil (SUCO).

He further added that such plans contributed to boosting the production rate

and developing the proven reserves despite the challenges that confronted the company. "During the fiscal year of 2009-2010, the company's production rates reached 6 million barrels of crude oil, 6 million barrels of condensate in addition to 2 million tons of butagaz."

Al-Tahawy highlighted that the three fields of SUCO holds wells that require different production techniques; wells with natural crude oil flow, wells producing with natural gas injection and a third type producing through water injection to maintain the tank pressure. "Due to the ageing productive wells of SUCO, the company has recently signed contracts for an offshore repair unit, two offshore rigs and another onshore one in order to be utilized in drilling development and exploratory wells," said Al-Tahawy. "The first phase of this development plan was fully completed in the fiscal year of 2009-2010 and now we are ready for the second phase."

As for the new 2010-2011 fiscal year, SUCO plans include the development of seven wells in the fields of Ras Badran, Oil Gulf and Ras Fanar, in its concession area in the Gulf of Suez with total investments of \$58 million.

"SUCO aims at intensifying its development activity by the end of this year through the repair of 25 development wells in its concession area. That is why the company allocated \$32 million for this year's plan compared to last year, during which only five development wells were drilled at a cost of \$30 million."

In addition to SUCO's plans, Petro Shahd set its plan as well to drill four development wells in the East Ras Qatara field in the Western Desert, which reflects the company's attempts to maintain its daily crude oil production of 6520 barrels through the new offshore platforms.

Rashid Petroleum Company has also commenced the implementation of the eighth phase of its development plan for its concession area in Deep Marine West Delta by developing eight fields. The full completion of Rashid's plan is due to end in 2014.

"This year, Rashid is expending \$2 billion to develop eight fields, which will serve the company's plan to maintain its daily crude oil production," explained Eng. Taher Abdel Rahim, Assistant Operations Manager in Rashid Petroleum Company. "We are intensifying our development activity, especially after the successful cooperation with Saipem through which eight development wells were drilled using one rig only, with total investments of half a million dollars."

Zafrana Oil Co. prepares to drill two new exploratory wells in the Zafrana field in its acquisition area in the Gulf of Suez.

The company plans to utilize the Transocean rig in case it will not be able to rent another offshore rig.

Egypt Oil & Gas newspaper (EOG) learned that the total investments of the offshore exploratory wells are estimated at \$30 million.

This plan serves Zafrana's target to raise its production rate of heavy oil from the Zafrana field to reach 6600 barrels of oil per day (bopd), compared to the last fiscal year of 2009-2010 of 4950 barrels of oil per day (bopd) from the marine platform (A).

On the other side, Gemsa Petroleum Company (GEMPETCO) approved the EGPC plan to develop Zafrana field during the fiscal year of 2010-2011, a top official told Egypt Oil and Gas. GEMPETCO is currently preparing for developing six wells in the Gulf of Suez. It is worth mentioning that the company's daily production of crude oil counts for 2500 barrels.

