
Yadavaran oilfield begins early production

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Mehr News Agency reported that early production of Yadavaran oilfield in Khuzestan Province started with a daily capacity of 20,000 barrels.

SHANA quoted the oil field's development project manager as saying that the project is now in the Front-End Engineering and Design stage and is 45% to 50% complete. Mr Mohammadreza Naderi added that the field's output is projected to hit 85,000 barrels per day in the phase-1 and to reach the ceiling of 180,000 barrels per day finally.

China's biggest refiner, Sinopec and Iran signed a USD 2 billion agreement on developing the Yadavaran oil field in 2007. The agreement completed a 2004 memorandum of understanding for the state-owned Sinopec Group to help develop the huge oilfield. Sinopec Group, the state owned parent of Sinopec Corporation agreed in October 2004 to take the lead in developing the Iranian oilfield and to buy 10 million tonnes of liquefied natural gas every year for 25 years in a deal worth as much as USD 100 billion.

The Yadavaran deal calls for the Chinese company to invest in developing the oilfield in two phases, with the phase-1 to produce 85,000 barrels per day to be carried out in four years. The phase-2, to produce an additional 95,000 barrels per day is to be completed in another 3 years.

(Sourced from Mehr News Agency)

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