
Oman 4 months oil export up by 10.8pct

Sunday, 05 Jul, 2009

Pipeline Magazine reported that Oman's crude output and exports have increased during the Q1 reversing a trend in production after several years of decline.

The National Economy Ministry has announced that the Sultanate's crude exports for the first four months of 2009 rose by 10.8% to almost 80 million barrels compared to the same period in 2008 which is 71.36 million barrels.

Total production of crude oil and condensates climbed nearly 5% to 94.33 million barrels against 89.33 million barrels during the same period in 2008 according to data released by the ministry.

Oman's daily production has risen by 5.98% to 786,100 barrels against 743,300 barrels per day during the same period of 2008. The increase in crude oil output and exports is heartening news for non-OPEC Oman, which continues to rely on hydrocarbons for nearly 60% of its gross domestic product. Output growth also means a reversal of nearly 5 years of declining production.

Bolstered by new discoveries, the Ministry of Oil and Gas is targeting an average output of 805,000 barrels per day to 810,000 barrels per day in 2009. This compares with output levels averaging 790,000 barrels per day in 2008 and 710,000 barrels per day in 2007.

Rising production is seen as proof that the government multi billion dollar investment programme to reverse years of declining output is finally paying dividends. While production has improved, the average price per barrel slumped by a hefty 49.4% from an average of USD 88.11 per barrel during the January to April period of 2008 to USD 44.95 this year.

China was the biggest customer for Omani crude, importing 27.48 million barrels, followed by South Korea with 10.68 million barrels and Thailand with imports of 10.51 million barrels.

Since the start of this year, Oman's government has signed exploration and production sharing agreements with a number of oil firms, underlining the country's robust appeal to international oil prospectors despite the global downturn.

Canada-based international oil firm Epsilon Energy Limited, Harvest Natural Resources Inc of the US, Malaysian energy giant Petronas and PetroTel, also of the US, have all signed concession agreements in recent months.

(Sourced from Pipeline Magazine)

For more news visit at www.steelguru.com