
Oxy in talks with Mubadala over Iraq oil stake

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Reuters reported that Occidental Petroleum Corporation is in negotiations with Abu Dhabi about its government investment fund, Mubadala sharing in the US oil company's stake in Iraq's massive Zubair field.

Mr Ray Irani CEO of OXY said that "We're going to share part of our share probably with Abu Dhabi and there may be others coming along."

The precise details of the Zubair consortium have not yet been pinned down but the head of consortium leader Eni said in an interview with the Financial Times last week that it would require USD 10 billion in investments.

Mr Irani said that Oxy would shoulder somewhere between 25% and 30% of the Zubair costs, and an Occidental spokesman say Mubadala would share part of that if a deal was struck. He said that South Korea's Kogas is also in the consortium, which won the rights to the Zubair field last week and believes there are 6.6 billion barrels of oil reserves there compared with current estimates of about 4 billion.

He added that Mubadala is already involved in JV with Oxy and Bahrain to develop Bahrain's Awali field and production there would start early 2010.

(Sourced from Reuters)

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