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## Bahrain banks on offshore projects

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Trade Arabia cited Mr Dr Abdul Hussain Bin Ali Mirza the kingdom's oil and gas affairs minister as saying that despite the uncertainties posed by the global economic crisis, Bahrain is going ahead full steam with its offshore projects.

Mr Mirza said that as part of the strategy, the kingdom's Oil Ministry has established a JV operating company with US major Occidental and the UAE's Mubadala Development Company to drill 3,600 new oil wells over the next 20 years for the Bahrain Oil Field development project.

He said that under the terms of the April agreement, Occidental will hold a 48% interest in the JV Company Mubadala 32% and a subsidiary of Noga the remaining 20%. The first well would be drilled early 2010. Also, Bahrain has targeted more than doubling output from the Bahrain oilfield from 33,000 barrels per day to 75,000 barrels per day within 5 years and to a peak of 100,000 barrels per day thereafter. Gas production from the field is expected to grow to over 2.5 billion cubic feet per day from the current levels of 1.7 billion cubic feet per day.

He added that in recent years, the kingdom has stepped up drilling and exploration efforts to try to raise indigenous oil and gas production and has also introduced enhanced recovery techniques to boost its production of heavy oil.

Mr Mirza said that Bahrain's investment in its oil and gas sector did not stop even during the darkest days of the economic slowdown. Bahrain had averted any funding crisis by anticipating the massive slump in oil prices. Bapco was also looking at the refinery configuration beyond 2015, to improve its profitability and competitiveness.

He added that Bahrain was considering the possibility of increasing refinery crude capacity from 265,000 barrels per day to 400,000 barrels per day. Bapco has successfully completed the drilling of 3 gas wells as part of a major USD 100 million program to boost natural gas production in Bahrain by an additional 500 million cubic feet per day.

(Sourced from Trade Arabia)

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