

PETROLEUM IN BURMA 2004

1. NEW GAS RESERVE FOUND OFFSHORE RAKHINE

A world-class commercial-scale gas deposit found at A-1 block offshore Rakhine coast in the Arakan region of Burma.

The deposit can hold gas from 4.2 trillion to 5.8 trillion cubic feet. According to calculations, A-1 block may yield up to 14 trillion cubic feet of gas. The Myanmar Oil and Gas Enterprise reached an agreement with the Daewoo International Corporation of the Republic of Korea to explore and exploit oil and gas at A-1 block offshore Rakhine coast on 4 August 2000 under production sharing contract.

Seismic survey was conducted up to 3,552.75 line kilometres in the area in 2001. Followup measures were then taken. The offshore drilling machine Energy Searcher started drilling at Shwe-1 test well in the block on 21 November 2003 and struck the gas deposit on 26 December 2003 at the G-5 sand layer 10,588 feet below the seabed.

According to the geological condition, the deposit may yield from 4.2 trillion to 5.8 trillion cubic feet of gas. Serving as the operator, the Daewoo International Corporation has a 60 per cent stake in the business, while Korea Gas Corporation, another ROK enterprise is holding 10 per cent of the share; ONGC Videsh Ltd of the Republic of India, 20 per cent; and GAIL (India) Ltd, 10 per cent.

According to the calculations, the whole A-1 block may yield up to 14 trillion cubic feet of gas.

The development of this field is generating local resistance.

Source: RESISTANCE Number 45 .-OILWATCH.- May 2004