

Key Iraq Events – Oil & Gas



Khor Mor Gas Expansion

- Amid the bleak situation in Kurdistan, UAE-based firm Dana Gas announced the restart of the expansion work at the 500 Mcf/d Khor Mor gas field, thanks to “improved security situation”.

- The largest producing non-associated gas field in Iraq, Khor Mor, provides crucial gas supply to Kurdistan's power plants. The 250 Mcf/d expansion project was restarted in April 2021 following a CoVid-19 hiatus, targeting completion by April 2023. However, the project was suspended again last June amid a series of rocket attacks targeting the field's facilities, pushing the consortium to declare force majeure.
- Dana Gas, in its Q1 results, said that "following enhancement of the security arrangements [EPC contractor] Enerflex and its subcontractors are remobilizing to site to recommence construction". The firm came back with a new target for completion by Q2 2024.
- Progress is seen in the completion of all five new wells needed to feed the new train, adding that two of them were tested, demonstrating ability to produce gas at similar daily rates as the currently producing wells.
- While this may be good news, new budget in Parliament would prevent KRG from operating Khor Mor and Khurmala fields. However, the recent signing by Iraq's federal government of three long-term oil and gas contracts with the UAE's Crescent Petroleum may indicate that the ban on IOCs trying to operate in KRG has been relaxed by Baghdad. The company is still integral to the development, processing, and transportation of natural gas from the Khor Mor and Chemchemical gas fields to provide natural gas supplies for power generation plants near Erbil and Sulaymaniyah in the Kurdistan region. Once completed, the project will boost Khor Mor output to 750 Mcf/d sales gas, along with 23 kb/d of condensate and 1,100 t/d of LPG.

Get in Touch

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