



Business

PDO exceeds 2015 oil and gas production target

March 20, 2016 | 7:23 PM By Times News Service



The average PDO daily oil production for 2015 was 588,937 bpd, the highest since 2005 and almost 14,000 bpd above the planned target. Photo - Supplied

Sharelines

PDO exceeds 2015 oil and gas production target
#PDO exceeds 2015 #oil and gas production target

Muscat: Petroleum Development Oman (PDO) on Sunday said that it set a new combined oil, gas and condensate production record of 1.29 million barrels of oil equivalent per day (boepd) in 2015.

The company said it was confident of reaching a new sustainable long-term oil production plateau of 600,000 barrels per day (bpd), well ahead of its original 2019 target, to support revenue generation.

The PDO also said it is pledging to intensify its cost-control programme to combat the effects of the low oil price environment with an efficiency drive across its operations and has reduced planned expenditure this year by \$1.6 billion.

The average PDO daily oil production for 2015 was 588,937 bpd, the highest since 2005 and almost

ابدا السنة صحت
Back to School

www.extra.com

+27° +27°
C +27°

Muscat
Friday, 09

Thursday	+27° +27°
Saturday	+28° +27°
Sunday	+28° +28°
Monday	+28° +27°
Tuesday	+29° +28°
Wednesday	+30° +28°

See 7-Day Forecast



Prayer times
in Muscat

Fri 09 Sep

Fajr 4:35

Sunrise 5:51

Dhuhr 12:09

Asr 15:37

Maghrib 18:22

Isha'a 19:33

Powered by Muslim Pro

mmended for you



Dubai's Souq.cc plans stake sale \$1.2b value

14,000 bpd above the planned target. Gas production was 83 million cubic metres a day, one million cubic metres above the planned target as the company stepped up its effort to meet growing national gas demand.

“With the sharp fall in global oil prices dominating our thoughts and deeds, I am pleased to be able to report that PDO still managed to surpass expectations right across the business,” said Raoul Restucci, PDO managing director, commenting on the 2015 performance.

“As the nation’s largest oil and gas producer, our staff are fully aware of the vital role they play in generating the resources and revenue needed to power Oman and their commitment to stay the course and deliver value, despite the worsening economic situation, was truly impressive,” he added.

“Ensuring our business is sustainable is a long-term goal of PDO but the current low oil price environment also underscores the critical importance of sustainability in the present. PDO has seized the opportunity to continue to drive business improvement and operate more efficiently, while maintaining our overarching commitment to safety.

“The current environment requires us to leave no stone unturned to boost near-term cash-flow and we have reduced 2016 expenditure by \$1.6 billion. We’ll continue to work with our contractors to identify further cost reduction opportunities and optimise expenditure in light of the country’s economic challenges.

“Importantly, we have been able to maintain our growth plans and will continue to actively pursue and accelerate projects which can generate increased revenues, with early monetisation of discoveries and opportunities, top quartile recovery, meeting government gas requirements, delivering projects on promise, and ensuring stakeholder expectations are fulfilled.”

PDO added significant reserves and contingent resources, in excess of annual production, in 2015. There was a substantial oil discovery at Sadad North in southern Oman amounting to 44.5 million barrels of commercial contingent reserves (CCRs), contributing to a total of 109 million barrels of CCRs from new discoveries. Additionally, there was a 2 per cent rise in Stock Oil Initially In Place (STOIIIP) to 67.8 billion barrels and a 4 per cent increase in Gas Initially In Place (GIIP) to 78.2 trillion cubic feet (tcf).

On the gas supply front, the Mabrouk Southwest discovery, yielded 0.38 tcf of commercial contingent reserves. The field was discovered as a satellite to the Mabrouk field in the Barik and Miqrat reservoirs in the northern part of PDO’s Block 6 concession area. By the year’s end, the Tayseer gas field discovery in southern Oman further added in place volumes of 0.93 (tcf) of gas and 117 million barrels of condensate.

PDO achieved the majority of its corporate project delivery milestones on or ahead of plan, and all were delivered within the year, with ground-clearing on the landmark Miraah solar energy project, the largest of its type in the world at peak capacity, already complete.

The company is now working to continuously improve its project delivery with a simplification of standards and further collaboration with contractors which will enhance delivery, the use of the Omani supply chain and improve cost effectiveness.

During his presentation at the annual Ministry of Oil and Gas media briefing, Restucci highlighted a string of PDO achievements last year. These included the creation of 7,200 employment, training and re-deployment opportunities for Omanis with PDO contractors and the award of contracts worth more than \$3.7 billion to nationally registered firms.

The company has also ramped up its support of domestic small and medium enterprises, including 190 active Local Community Contractors and four Super Local Community Contractors. The SLCCS now have a total capital worth of OMR23.2 million and more than 9,400 shareholders drawn from the communities where they operate.

“Despite the recessionary pressures, it has been more important than ever to pursue our In-Country Value (ICV) programme to build a sustainable Omani industrial/private sector base able to compete on the international stage and retain more of the industry’s wealth in the Sultanate,” Restucci said.

The company is currently operating a variety of commercial-scale enhanced oil recovery (EOR) projects that include chemical EOR, miscible gas injection and thermal applications. It will also continue the maturation of more promising and novel EOR technologies through laboratory and field testing.

However, because of the resource-intensive nature and higher cost of tertiary recovery mechanisms, much emphasis has been placed on accelerating conventional oil and gas opportunities instead of additional short-term expansion of EOR projects.

This optimisation is very much enabled by the several development choices we have in our portfolio and means that EOR is now expected to account for approximately 25 per cent of PDO oil production by 2025, as opposed to last year’s projections of 33 per cent by 2023.

On the safety front, the company recorded a 14 per cent improvement in Lost Time Injury Frequency at 0.28 per million manhours, albeit with two work-related fatalities. There was also a 54 per cent fall in Tier-1 Asset Integrity-Process Safety (AI-PS) incidents and a 30% drop in the overall number of motor vehicle incidents.

“Although we are pleased to see an improved safety performance, there is still much work to do if we are to achieve our Goal Zero aspiration of no harm to people, environment or assets,” Restucci said.

“To further embed the safety culture in PDO, we will place more emphasis on visible leadership and compliance, intervention and respect, supported by improved reporting and simpler, more pervasive training,” he added.

“The creation of employment and training opportunities for Omanis remains a strategic priority for

PDO and we are determined to play our part in helping the thousands of nationals who come onto the job market each year to find meaningful and rewarding work.”

Project Prism, PDO’s industry-first initiative into the welfare of more than 30,000 contractor personnel has been stepped up with the aim of confidentially interviewing workers from 200 companies this year about a wide range of topics including safety, pay, training, medical care, food, accommodation and human resources provision in the field.

In 2015, PDO stayed true to its aspirations to be a good corporate citizen, pledging financial support to a range of community and educational initiatives, including school building and further training and marketing support for the Banat Oman social enterprise. This has now trained more than 300 women from low-income backgrounds in a variety of handicrafts, giving them the opportunity to make a better living.

MARKETPLACE

[Part Time MBA In Oman](#)

[Medical Insurance In Oman](#)

[How to Buy Shares](#)

[Free Online Education](#)

[How I Can Start My Own Business](#)

[Accommodation in Oman](#)

[MBA Distance Learning](#)

[How to Start a Business from](#)

0 Comments

www.timesofoman.com

[Login](#)

[Recommend](#)

[Share](#)

[Sort by Newest](#)



Start the discussion...

Be the first to comment.

[Subscribe](#) [Add Disqus to your site](#) [Add Disqus Add](#) [Privacy](#)

STAY UPDATED

Subscribe to our newsletter and be the first to know all the latest news

Username

Email Address

Sign Up

More in Business



Iran says too early to discuss oil output freeze at Algiers



Oman’s two pension funds to own 20% of new Crowne Plaza hotel



Bank Sohar closes OMR35m subordinated debt issue

Oman
#OmanPride
World
Sports
Opinion
Business
Technology
Travel

Lifestyle
Entertainment
Features
Advertising
RSS Feeds
Subscription
TOO Apps
Classifieds

E Paper
About us
Blog
Jobs
Contact us
Request a Quote
Sitemap
Quiz registration

Newsletter

Sign Up



Copyright © 2016 Muscat Media Group. Times of Oman is not responsible for the content of external intern
Powered by **NewsPress**