

Petronas, PetroVietnam extend PSC for 10 more years



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KUALA LUMPUR: Petroliaam Nasional Bhd (Petronas) and Vietnam Oiland Gas Group (PetroVietnam) have extended the production sharing contract with their partners for offshore fields in the overlapping zone between Malaysia and Vietnam.

Petronas said in a statement on Monday the agreement was signed on April 6 to extend the contract for the fields in the PM3 commercial arrangement area with the partners which are Talisman Malaysia Ltd, Talisman Malaysia (PM3) Ltd, Petronas Carigali Sdn Bhd and PetroVietnam Exploration Production Corp Ltd.

“The PM3 CAA project involves offshore fields located throughout a 2,008 square km area in the overlapping zone between Malaysia and Vietnam,” it said.

Under the terms of the PSC, Talisman will continue to operate Block PM3 CAA with equity interest of 35% while PetroVietnam Exploration will own 30% and Petronas Carigali the remaining 35%.

The contract extension will maintain the production from five producing fields which are the Bunga Orkid, Bunga Kekwa, Bunga Raya, Bunga Tulip and Bunga Sarojafields.

Other activities include developming discovered fields within the Malaysia-Vietnam offshore commercial arrangement area.

Under the agreement, the partners will carry out near field exploration, brownfield development and studies on enhanced oil recovery (EOR) amounting to US\$500mil of additional minimum work commitment.