

ZCZC N074
PARLIAMENT-MAHATHIR
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32 (P)
KUALA LUMPUR, OCT. 25 (BERNAMA) -- PETRONAS' FIRST OIL REFINERY IS EXPECTED TO BE COMPLETED AND TO BEGIN OPERATIONS AROUND MIDDLE OF NEXT YEAR, PRIME MINISTER DATUK SERI DR. MAHATHIR MOHAMAD SAID TODAY.

THE REFINERY, BEING BUILT IN TERENGGANU, WOULD HAVE A REFINING CAPACITY OF 30,000 BARRELS OF OIL PER DAY, HE TOLD ENCIK LEE LAM THYE (DAP-KUALA LUMPUR BANDAR).

THE SECOND REFINERY AT MELAKA WAS EXPECTED TO BEGIN OPERATIONS IN 1987 WITH A CAPACITY OF 120,000 BARRELS PER DAY.

HE SAID PETRONAS WAS ALSO INVOLVED IN THE ASEAN UREA PROJECT IN BINTULU SCHEDULED TO PRODUCE 1,000 TONNES OF AMMONIA AND 1,500 TONNES OF UREA A YEAR.

THE PROJECT WAS EXPECTED TO START PRODUCTION IN 1985.

ON THE LNG PROJECT AT BINTULU, THE PRIME MINISTER SAID THE PROJECT WAS ABOUT 90 PERCENT COMPLETED UP TO JULY. -- MORE 1746/PA

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HE ALSO SAID THE FIRST LIQUEFIED NATURAL GAS (LNG) DELIVERY TO JAPAN WOULD TAKE PLACE IN JANUARY NEXT YEAR AS SCHEDULED.

HE TOLD WAN MOHAMED NAJIB MOHAMED (BN-PASIR PUTIH) THAT THERE WERE NOT SURPLUS IN PRODUCTION OF OIL AS THE PRODUCTION RATE HAD BEEN TAKEN INTO ACCOUNT IN THE 1983 BUDGET.

HE SAID THE AMOUNT PRODUCED THIS YEAR WAS BELOW THE PRODUCTION LIMIT SET BY THE NATIONAL OIL PRODUCTION POLICY.

PETRONAS HAS STRUCK TWO OIL WELLS BUT HAD NOT CARRIED OUT PRODUCTION FROM THEM SO FAR, HE ADDED IN HIS REPLY TO DATUK HAJI ABU BAKAR UMAR (PAS-KOTA SETAR). -- BERNAMA 1750/PA