

18/12/1998

Production at Petronas' Ruby oil field launched

Ashraf Abdullah in Hanoi

PRIME Minister Datuk Seri Dr Mahathir Mohamad and his Vietnamese counterpart Phan Van Khai yesterday launched the commercial crude oil production from the Ruby field, an offshore Vietnamese oil field operated by Petronas.

The Ruby field, located about 155km east of the coastal city of Vung Tau, is the first overseas exploration and production project undertaken by Petronas as an operator.

Commercial production at an initial 8,000 barrels per day began on Oct 22.

The field is expected to produce 20,000 bpd next year, peaking at 25,000 bpd by the year 2000.

Petronas operates the field, which is within Blocks 01 and 02, under a Production Sharing Contract signed on Nov 9, 1991, with PetroVietnam, the State oil company of Vietnam.

Petronas has an 85 per cent equity in both blocks, while the remaining 15 per cent is owned by PetroVietnam's subsidiary, PetroVietnam Exploration & Production Company.

Petronas also operates the Dai Hung oil field in Vietnam. Downstream, the company is involved in a liquefied petroleum gas terminalling, bottling and distribution joint venture in Hai Phong as well as polyvinyl chloride project in Vung Tau.

Petronas has offices and facilities in Vung Tau, Hanoi and Ho Chi Minh City.

In his speech, Petronas chairman Tan Sri Azizan Zainul Abidin said the project was the culmination of over eight years of effort and an investment of more than US\$200 million (RM760 million).

Azizan said in line with Petronas' policy of "Growing Together with the Country", it had embarked on a programme of "Vietnamisation".

"Various training programmes were instituted to prepare our Vietnamese staff to increase their participation in the oil industry."

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