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Petronas-Myanmar

PETRONAS GETS FOUR EXPLORATION BLOCKS IN MYANMAR

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YANGON, Aug 19 (Bernama) -- Petronas, the national oil corporation, has been awarded four production sharing contracts (PSCs) by the Myanmar government for the M-15, M-16, M-17 and M-17 and M-18 offshore blocks.

The contracts were signed here today by Petronas president and chief executive Tan Sri Mohamed Hassan Marican and Myanmar's Deputy Minister of Energy U Tin Tun.

The ceremony was witnessed by Prime Minister Datuk Seri Dr Mahathir Mohamad, who is on a two-day working visit to Myanmar, and Secretary 1 of Myanmar's State Peace and Development Council (SPDC) Lt Gen Khin Nyut.

Petronas said in a statement that under the PSCs, Petronas Carigali Myanmar II Inc, a wholly-owned subsidiary of Petronas Carigali Sdn Bhd. the exploration and production arm of Petronas. would hold a 100 per cent equity in the four blocks and would be their operator as well.

In the event of commercial discovery, the Myanmar Oil and Gas Enterprise (MOGE) would have an option to participate with an equity of up to 20 per cent during the development and production phases of the blocks, Petronas said.

The four blocks are located in the Tanintharyi area offshore southern Myanmar and they range in size from 13,500 sq km to 14,200 sq km.

The northernmost Block M-15 is contiguous to Block M-14 which contains the producing Yetagun gas field, part of the Yetagun Gas Project in which Petronas is already involved.

Petronas's involvement in the Yetagun Gas Project started when it acquired a 30 per cent interest in the project in 1997 from Texaco Inc. It consists of a production area covering the M-12, M-13 and M-14 blocks in the Gulf of Martaban.

Petronas's partners in the project are the Petroleum Authority of Thailand E&P International (14.17 per cent) Nippon Oil (14.17 per cent), MOGE (15 per cent) and Premier Petroleum Myanmar Ltd (27.67 per cent).

Premier Petroleum, which operates the project, is a wholly-owned subsidiary of Premier Oil Ltd, which in turn is an associate company of Petronas.

The first gas production from Yetagun was delivered in May 2000 to the Petroleum Authority of Thailand via a cross-border pipeline built as part of the project.

The Yetagun field is currently producing 200 million standard cu. ft of gas per day.

Petronas said the award of the four blocks reflected the commitment of its continued strong presence in Myanmar and the building of strategic partnerships with the oil and gas fraternity here.

Two other MoUs were signed at the Myanmar-Malaysia Technology Conference here. The first was the Yangon Strategic Development and Action Plan signed between the Yangon City Development Committee, Malaysian Industry-Government Group for High Technology (Might) and Institut Sultan Iskandar (ISI) for a study to develop Yangon.

The other was for international telecommunication services between Maxis International Sdn Bhd and Myanmar Posts and Telecommunications.

-- BERNAMA

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