

Iran to offer three gas fields to foreign firms

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London, Dubai, 26 August (Argus) — Iran will eventually make three gas fields — North Pars, Golshan and Ferdowsi — available to foreign investors, after US and EU sanctions targeting its oil and gas sector are suspended or terminated, potentially by the end of this year.

All three fields had been under development with state-owned Chinese companies Sinopec and CNOOC, but their contracts were terminated in 2012 because of slow progress, Iran said at the time.

Golshan holds around 50 trillion ft³ (1.4 trillion m³) of gas, Ferdowsi an estimated 13 trillion ft³ and North Pars more than 40 trillion ft³.

The fields are sizeable, but significantly smaller than South Pars, the flagship field off the south coast of Iran that it shares with Qatar. Developing South Pars is a priority for Iran because of the extent of its reserves, after which it will examine shared and older fields that require improved oil recovery. Phase 11 of the field (20.6bn m³/yr) had been expected to be offered to foreign companies at a London roadshow to be held in December, but it may instead be developed by domestic private-sector gas companies.

Several projects will use gas from South Pars, including Iran LNG and a pipeline project to Iraq that was scheduled to begin exports in August, but which will face further delays. Gas from South Pars is primarily used to supply the Iranian market.

Tehran has offered few details as to which projects it will offer to foreign firms, but the oil ministry is set to unveil its updated contract model, dubbed the Iran Petroleum Contract (IPC), at the 14-16 December roadshow in London — at which point it will also probably reveal the full list of projects slated for foreign investment. Oil minister Bijan Namdar Zanganeh said recently that no South Pars phases will be offered to foreign participants.

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