



Press Release
July 2020

10-year milestone reached in Rumaila's journey of transformation

Basra, Iraq, July 2020: The Rumaila Operating Organisation has reached the milestone of its 10 year anniversary.

Since it began its work to safely manage and transform Iraq's largest producing oilfield in 2010, production has increased 40% - with more than 4.9 billion barrels produced.

Its success is largely thanks to the strong integration of BOC, bp, and PetroChina and efforts of their 7,000 staff – 94% of whom are Iraqi.

Basra Oil Company (BOC) Acting Director General Basim Abdu-Kareem said: "The Rumaila partnership has proven to be a success story. It is fulfilling its remit to transform the operation, develop the workforce and increase oil production. My thanks go to everyone involved, particularly BOC members of staff for all their efforts working hand in hand with experts of the field's operator."

The ROO Management is a partnership between BOC, bp, and PetroChina, in addition to the State Oil Marketing Organisation. Together, they have worked tirelessly to modernize the field - drilling 380 new wells, embedding technologies and creating a 'digital oilfield', as well as delivering more than three million hours of training and awarding \$5.8 billion in contracts to Iraqi companies.

ROO Deputy General Manager, Hussein Abdul Khadhim Hussein, added: "Thanks to the mutual respect shown by individuals and teams from each of the partner organisations, Rumaila has blossomed. Its success is testimony to the power of what can happen when people come together with a shared goal."

Rumaila continues to operate – despite the challenges presented by the coronavirus pandemic – producing around 1.480 million barrels of oil a day (bpd - Q1 2020 average rate) to help provide the financial resources that Iraq and its people need.

A journey together

Ten years ago, the field needed many interventions to reverse real threats, such as declining reservoir pressure and the old infrastructure and equipment. There were also opportunities to improve ways of working including safety, efficiency and capability development.

Improving the safety record as it is the the number one priority – even ahead of production – required bringing in training, new processes, equipment, systems and checks to ensure everyone takes responsibility for themselves and their colleagues.

Facilitated by bp advanced technologies, ROO has gained comprehensive understanding of Rumaila's subsurface. This has guided decisions on where best to drill new wells, and international standards of reservoir management to maximise the well production rates and reservoir oil recovery. Rumaila's hundreds of wells, equipment within facilities, and flowlines are now monitored digitally, every second of the day – enabling rapid interventions by operators on-site and at Rumaila headquarters when issues occur.

Numerous facilities have been renovated, upgraded and newly constructed, while one of the world's largest water injection programmes has helped boost production from reservoirs with low or declining pressure. Overall, the field now injects 1.45 million bpd of water, up from 57,000 bpd a decade previously. Rumaila continues progress on its environmental strategy and several flares have been extinguished throughout the decade. ROO is working in partnership, to achieve further air quality improvement and carbon emissions reduction in the future.

BOC and contracted local staff are supported by bp and PetroChina personnel, who share their international expertise while working alongside their Iraqi colleagues. Together, staff now work in ways that adhere to established international processes, undertaken in a systematic, efficient and safe way.

Rumaila Special Deputy General Manager, Fan Jianping, said: "Rumaila is now a more advanced oilfield. So much knowledge has been gained and shared. So much has changed in terms of how Rumaila now operates, an accomplishment achieved by the shared determination shown by everyone involved."

The wider Iraqi oil and gas industry also plays a crucial role in the transformation of the field, with Iraqi companies providing a range of services and support. Since 2010, some \$5.8 billion of contracts have been awarded to 185 Iraqi companies, covering 630 contracts. The volume of contracts awarded to Iraqi companies in 2019 is up almost five-fold on 2010, and tens of thousands of local jobs have been created over the ten year period across a broad range from highly technical to non-technical disciplines.

ROO has helped facilitate this increase through a continuous focus on developing the capability of Iraqi companies and workforce to meet international standards.

Foundations for the future

Beyond oil production, ROO supports regional and local development. The Rumaila Education Fund provides skills development in Iraq's wider oil and gas industry, through technology, scholarships and training. While the Rumaila Social Welfare Fund benefits the field's neighbouring communities which have seen new health clinics constructed, potable water piped to homes, training schemes delivered, and new roads built. These initiatives target communities which are often isolated, have high levels of unemployment and limited amenities.

ROO General Manager from bp, Orkhan Guliyev, concludes: "This anniversary is an opportunity to reflect on a remarkable journey, on everything that has been achieved over the past ten years, and learn the lessons to create an even better future. From the laying the foundations for a new Rumaila and nurturing new relationships, through to overcoming difficult times together and becoming a safer and more efficient operation – everyone connected with Rumaila can feel very proud of everything that has been achieved by the partnership."

-ends-

Note to editors:

- Rumaila is a Basra Oil Company (BOC) oilfield and one of the largest producing fields in the world.
- The Rumaila Operating Organisation (ROO) is the operator of the Rumaila oilfield, which is an unincorporated joint venture formed between BOC, bp, PetroChina and the State Oil Marketing Organization (SOMO) under the terms of the Technical Services Contract (TSC) in 2010 to manage and transform the oilfield, securing its long-term future.

Achievements over 10 years – fast facts:

- 4.9 billion barrels of oil produced, with output rate increasing by almost 40% – up from 1.066 million bpd to 1.480 million bpd (Q1 2020 average rate).
- 94% Iraqi workforce driving production.
- 380 new wells drilled across the field.
- \$5.8 billion contracts awarded to 185 Iraqi companies across 630 contracts (to end of 2019).
- Almost three million hours of training delivered to improve skills and safety.
- New technologies embedded making Rumaila a truly digital oilfield.

Rumaila press office: ROOPressCentre@rumaila.iq

Rumaila website: www.rumaila.iq