



## The 26<sup>th</sup> Annual Middle East Petroleum & Gas Conference

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### PRESS CLIPPING

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## **Gas pipeline with Iran not a priority for Oman**

The sultanate has enough gas reserves and production capacity to sustain the economy till 2025

Developing a gas pipeline with Iran, which is looking to ramp up natural gas production, particularly from the giant South Pars gas field, may not be a priority for Oman. Oman has considerable gas reserves of its own and enough spare capacity to export gas as well, although most of its resources are locked in tight geological formations. The sultanate receives about 1 billion standard cubic feet of gas a day (scf/d) from the BP-operated Khazzan tight gas field, which came online in September last year (<https://www.meed.com/bp-starts-productionomans-khazzan-tight-gas-field/>).

Expansion of the Khazzan gas project will see the nearby Ghazeer field add another 500 million scf/d to Oman's gas grid by 2020.

"The oil ministers of Iran and Oman are good friends," an industry expert said during a panel discussion at the Middle East Petroleum & Gas Conference (MPGC) in Abu Dhabi, organised by Conference Connection. "Whenever they meet there is talk of the gas pipeline [project] progressing.

"But I don't see Oman feeling a need for the pipeline in the near-term, until about 2025."

The countries have discussed building the onshore-subsea pipeline project since 2013, although talks stalled in the wake of international sanctions on the Islamic Republic.

Tehran and Muscat signed a deal reviving the project in February last year (<https://www.meed.com/oman-and-iran-change-route-on-subsea-gas-pipeline/>), although several alterations to the scope of the project have been made (<https://www.meed.com/exclusive-omansets-target-gas-pipeline-tender/>) since then, leading to a lack of clarity on its progress.

The objective of the Iran-Oman gas pipeline project is to connect Iran's gas reserves with Omani consumers and LNG plants for a period of 25 years so that Muscat can re-export the gas to its customers.