

PRESS CLIPPING SHEET

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Egypt's gas production declines in 2015 by 205m cubic feet

By Mohamed Adel

Egypt's average natural gas production declined this year to 4.395bn cubic feet per day, compared to about 4.6bn cubic feet in 2014.

A petroleum ministry report revealed that foreign partners are slowing down the development processes of fields, leading to a decline in the gas production rate and an inability to connect compensatory wells.

The petroleum ministry expected gas production to reach 5.4bn cubic feet per day, and consumption to reach 5.57bn cubic feet per day, in the fiscal year (FY) 2014/2015.

The report explained that the Pharaonic Petroleum Company (PhPC) is one of the most prominent companies with a total production decline of 95m cubic feet in FY 2014/2015 compared to FY 2013/2014. The company was followed by Petrobel, with a production decline of nearly 92m cubic feet.

The natural decline rate of Egypt's wells production is estimated at 130m

Companies need to drill wells to compensate for the gas decline

cubic feet of gas per month. Companies need to drill wells to compensate for the decline rate and increase production, according to the report.

The report explained that Soco oil company in Suez increased its gas production by 82m cubic feet in 2015, followed by Badr El Din Petroleum Company (BAPETCO) by 73m cubic feet.

An Egyptian Natural Gas Holding Company (EGAS) official said that power stations now use about 3.45bn cubic feet of Egypt's natural

gas production per day.

He added that about 1.445bn cubic feet are pumped daily to the industrial sector and the rest of the sectors that use gas (fuelling cars, home use and small and medium consumption industries).

The official said the total amount of gas available for the domestic market from produced and imported amounts is estimated at 4.895bn cubic feet per day.

Petroleum Minister Sherif Ismail said, in a press conference to launch an awareness campaign on ways to rationalise energy consumption last year, that about 400-500 million cubic feet of gas will be added by the end of 2014.

Egypt is suffering from a shortage in gas supply, and needs to take measures to generate electricity for homes and factories. Successive governments have failed to develop a new strategy to utilise the great natural gas reserves despite the demand on fuel due to the population growth.

Current natural gas producing companies

Company	Average production in 2014 x 1m cubic feet of gas daily	Average production in 2015 x 1m cubic feet of gas daily
Burullus and Rashid Gas Company	898	841
Petrobel	1,070	978
Khalda Petroleum Company	880	851
Pharaonic Petroleum Company	577	482
Badr El Din Petroleum Company	394	467
El Wastani Petroleum Company	210	172
North Of Sinai Petroleum Co.	46.8	15
Abu Qir Petroleum	242	197
Mansoura Petroleum Company	100	59
South Dabaa Petroleum Company	35.6	37
General Petroleum Company	20.5	44
GUPCO	34.5	82
Soco	89	171
Total	4,599.3	4,395