

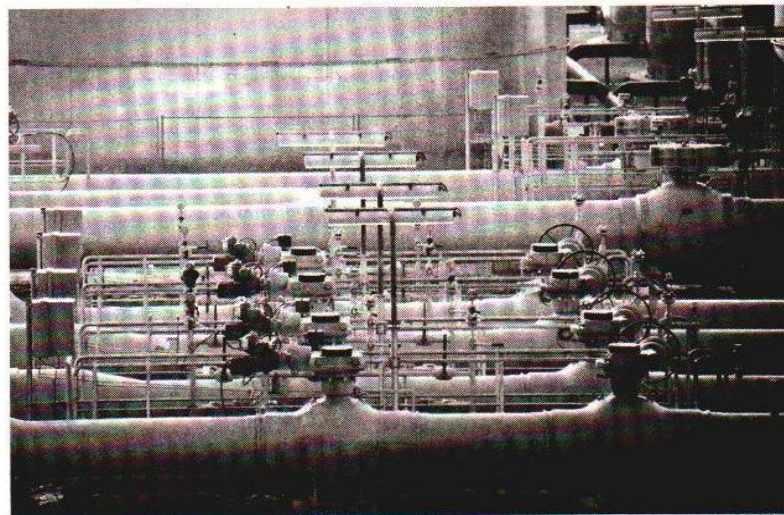
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60m cubic feet monthly gas production cannot be compensated: EGAS official

Egypt's current production is at 4.35bn cubic feet, says senior official



Egypt's monthly production of natural gas decreased by 130m cubic feet, compared to the 100m cubic feet loss last fiscal year (FY) 2013/2014

By Mohamed Adel

Sixty million cubic feet of the natural gas lost in monthly production cannot be compensated through linking to other wells, which will only cover 70m cubic feet of the monthly production, according to a senior official at the Egyptian Natural Gas Holding Company (EGAS).

Egypt's monthly production of natural gas decreased by 130m cubic feet, compared to the 100m cubic feet loss last fiscal year (FY) 2013/2014, as a result of the natural decline in gas fields.

To compensate for this loss, wells are being linked on a monthly basis to increase production, with no more than 70m cubic feet, compared to the 130m cubic feet lost in production, the senior official said in a statement to Daily News Egypt.

"We have a monthly reduction of 60m cubic feet, which is not compensated from the total field production

in Egypt, which resulted in the government signing contracts to import liquefied gas shipments until 2020," said the official.

The significant reduction in the country's production of natural gas resulted from the postponement of foreign partners of linking their projects to production since 2011, after their financial dues from the government accumulated, according to the official.

The government liberalised the energy sector and allowed the private sector to fulfil its fuel needs on its own after natural gas production decreased to 4.35bn cubic feet daily in FY 2014/2015, in comparison to 6.06bn cubic feet in FY 2009/2010, according to the EGAS official.

EGAS' annual report revealed that the Mediterranean region produces 66% of the total gas production in Egyptian fields, followed by the Western Desert with 25%, Delta with 7%, and the Suez Gulf and Sinai with 2%.