

Key Iraq Events - Oil



Iraq's Oil Production

Iraq's nationwide production fell to 4.32 Mb/d in January up from December's 4.49 Mb/d, according to Iraq Oil Report. The decline came as output slipped due to bad weather at southern terminals delaying tanker loadings and forced production shut-ins at key southern oilfields. This is mainly as Iraq has insufficient storage capacity to manage weather-related disruptions.

Production at state-owned oilfields in the south and the Kirkuk cluster in the north averaged 3.89 Mb/d in January, compared to 4.04 Mb/d in December, though the biggest drop came from the Rumaila field, dropping by over 100 kb/d. Output might further increase in the immediate term, with the resumption of production at Qayarah field averaging just under 10 kb/d, while the state-run Amara oilfield, which has not been producing since July 2020 due to quota constraints, is in process of installing 3 new gas-oil separation units that will double production capacity from 20 kb/d to 40 kb/d. West Qurna-2's production went offline for maintenance on February 21 and is expected to remain shut until March 14, after which production will increase by 50 kb/d.

Iraq has worked off some of its past under-compliance, and its rising quota should have room to accommodate the expansion of Amara and a gradual return to higher output from other state-run fields and IOC-operated fields.

Get in Touch

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