



# Madagascar to start producing crude next year

Madagascar Oil on Friday (23 November) said it will start extracting oil next year in a pilot phase at its Tsimiroro field that could produce 150,000 barrels per day based on early estimates if commercially viable.

The London-listed firm's deputy general manager in Madagascar, Emma Ralijohn said the company plans to extract oil from its block in the west of the island using a steam method with a peak of 1,000 barrels a day during the test period.

"It will last around 18 months," Ralijohn told *AFP* on the sidelines of an oil and gas conference in Cape Town.

The Indian Ocean island has yet to have a commercially exploitable discovery and Tsimiroro is the company's most developed field with a contingent reserve of 1.7bn barrels over 20% of its area.

This rises to a potential total of 3.9bn barrels when less certain, prospective deposits are included.

"We are still continuing, drilling those wells so the resource will increase," said Ralijohn.

"But for now, just by having those 1.7bn of contingent resource, we are planning on having 150,000 barrels a day at peak production if Tsimiroro is commercial."

A decision will be made at the end of 2014 on the field and, if the pilot phase is successful, up to five years will follow to build up infrastructure.

"The earliest is then in 2019 when we can start commercial production and so peak production will be years after that," she said.

Madagascar has no current commercially exploited fields but has several in the exploration phase.

The government has granted 18 land blocks and six marine fields with a further total of 231 still open.

Recent gas discoveries in Mozambique have raised hopes with most of the island's fields in the Mozambican channel, said the island's Minister of Mines Rajo Daniella Randriafeno.

"We have to continue exploration in oil and gas in Madagascar to prove these are commercial reserves," she said.

Source: *AFP* via I-Net Bridge

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