
Iran set to sign oil and gas cooperation deal with Gazprom

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Tehran expects to sign an oil and gas cooperation agreement with Russian energy giant Gazprom in the near future, the republic's oil minister, Gholam-Hossein Nozari, said on Tuesday.

Nozari said negotiations were currently under way with Gazprom to develop several sites at the South Pars gas field in the Persian Gulf and the North Azadegan oil deposit in the country's south.

"We hope these negotiations will be successfully concluded in the near future," Nozari said.

Gazprom has been participating in the development of the South Pars field's second and third stages together with France's TotalElf and Malaysia's Petronas. The facility is operating in design mode to produce and process 20 billion cu m of gas annually.

Iran's proven natural gas reserves total over 28 trillion cubic meters. In 2006, gas production in the republic was 105 billion cu m, with consumption standing at 105.1 billion cu m. Gas accounts for 53% of the country's energy balance, oil 44%, the hydropower industry 2% and coal 1%.

South Pars holds 60% of Iran's reserves, and 10% of known global reserves of natural gas. The deposit is a part of the North Dome deposit, the largest non-associated gas field in the world, situated in Qatar and Iran.

The North Azadegan field has reserves of about 33 billion barrels of crude.
