

## **PETROVIETNAM, JVPC and JOGMEC signed the Agreement on A CO2-EOR Pilot Test in Rang Dong Oil Field, Block 15-2 Offshore Vietnam**

February 15, 2011

Japan Oil, Gas and Metals National Corporation  
JX Nippon Oil & Gas Exploration Corporation

### **PRESS RELEASE**

On 15<sup>th</sup> February, 2011 Vietnam Oil and Gas Group ("PETROVIETNAM", President and CEO: Phung Dinh Thuc), Japan Vietnam Petroleum Co., Ltd. ("JVPC", President and CEO: Makoto Koseki, a subsidiary of JX Nippon Oil & Gas Exploration Corporation) and Japan Oil, Gas and Metals National Corporation ("JOGMEC", President: Hirobumi Kawano) have executed an agreement to implement CO2-EOR (Enhanced Oil Recovery) pilot test in Rang Dong oil field of Block 15-2, offshore Vietnam. JVPC is, as an operator, producing oil and gas in the Block 15-2 together with its partners (ConocoPhillips (U.K.) Gama Limited and Petrovietnam Exploration Production Corporation).

Since 2007, PETROVIETNAM, JX Nippon Oil & Gas Exploration Corporation (President and CEO: Makoto Koseki) and JOGMEC have conducted the feasibility study for the field application of CO2-EOR including laboratory experiments, reservoir simulation study and CO2 supply study. The study result indicated the substantial potential to increase oil production as well as to reduce CO2 emission. Potential supply source of CO2 for CO2-EOR, if applied on a field level, is industrial exhaust gases, in which case, global CO2 emission reduction through the underground storage can be expected. In order to confirm the field applicability, PETROVIETNAM, JVPC and JOGMEC decided to conduct a small scale CO2 injection test (Pilot Test) in June, 2011 being operated by JVPC with supports by PETROVIETNAM and Block 15-2 partners and funded by JOGMEC.

In the Pilot Test, we will inject CO2 into the reservoir and produce the reservoir fluid together with CO2. We intend to acquire the production data in order to identify any uncertainties that should be taken into account before the consideration of field application.

JOGMEC has extensively implemented IOR/EOR studies since the mid 1970's, focusing on CO2-EOR especially in Abu Dhabi, Kuwait, Mexico, Turkey and Vietnam.

Once the Pilot Test is achieved, this will be the first application case of CO2-EOR in Vietnam as well as south-east Asia region.

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