

'ONGC Videsh, Iran's IDRO Oil sign accord'

ONGC Videsh, the overseas arm of government-owned ONGC, has signed a cooperation agreement with Iran's IDRO Oil to jointly bid for a \$900 million development plan of Susangerd oilfield in southwest Iran, Islamic Republic News Agency (IRNA) reported on Tuesday.

ONGC did not comment on the development when contacted. Given a similar MoU with Russia's Zarubezhneft, the aim of the accord with ONGC Videsh was to form a possible consortium, IRNA quoted IDRO Oil managing director Nasrallah Zarei, as having said.

The Susangerd field, discovered in 2009, is estimated to hold more than 5 billion barrels of in-place reserves.

Joint working group

IDRO Oil, Russia's Zarubezhneft and ONGC Videsh will now set up a joint working group "as soon as possible" and once they reach a final agreement, they would begin negotiations with National Iranian Oil Company (NIOC) for a contract, Mr. Zarei was quoted as saying.

The development comes in the wake of ONGC Videsh's announcement on Monday that the Government of Mozambique had given its approval for the development plan for the Golfinho-Atum natural gas field in the Area 1 block in the Rovuma Offshore Basin of Mozambique.

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