February 28, 2019

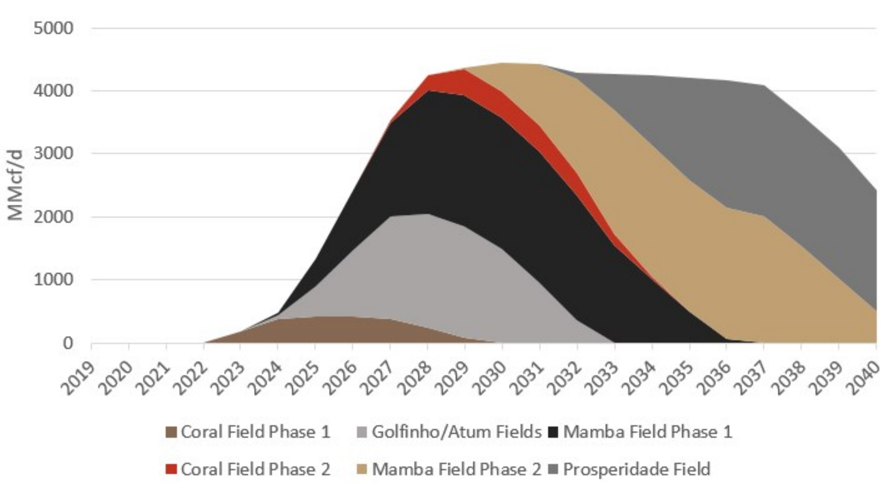
Mozambique LNG Poised to Take Off in 5 Years

Stratas Advisors

Mozambique, which currently doesn't export natural gas, will soon become a Top-5 LNG exporter in the world thanks to three prospective projects: the Mozambique LNG project, the Rovuma LNG project, and the Coral South FLNG project. Feeding these plants will be several large gas fields located in Area 1 and Area 4 deep water concessions. By 2028, Mozambique should be on track to produce about 4.5 Bcf/d or 34 MMtpa of LNG.

Massive gas reserves (180 Tcf) are present in Area 1 and Area 4, supporting the above mentioned LNG projects for decades. Area 1 participants are Anadarko (27%), Mitsui (20%), OVL (16%), ENH (15%), BPRL (10%), PTTEP (9%), and Oil India (4%); whereas Area 4 participants are Eni (25%), ExxonMobil (25%), CNPC (20%), Empresa Nacional de Hidrocarbonetos E.P. (10%), Kogas (10%) and Galp Energia (10%).

Geologists speculate that the hydrocarbons in these fields were originated from Jurassic to Cretaceous source rocks and were eventually trapped in Tertiary rocks in the Rovuma Basin. Based on our projection, the currently identified fields in the 2 concession areas together can maintain production levels at around 4.2 Bcf/d to 4.5 Bcf/d for more than 10 years.



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