

Signing of new Oil Agreements with Reliance Industries Limited

The Government of the Sultanate of Oman has signed oil royalty privilege agreements with Reliance Industries Limited, India at Ministry of Oil & Gas premises on Saturday, March 12, 2005 for the oil and gas exploration & production in Zone 18 in Gulf of Oman. The Zone plot is about 21140 square kilometres.

His Excellency Dr. Mohamed bin Hamad Al Rumhy, Minister of Oil and Gas signed the agreement on behalf of the Sultanate of Oman's Government.

Representing Reliance Industries Limited, India at the signing ceremony, Oil Executive Mr. P.M.S. Prasad.

The agreement will ensure that Reliance Industries Limited, India will conduct an exploration program that includes three-dimensional (3D) seismic scanning and Geological and Geophysical studies. In addition, the company may extend the exploration period in order to conduct other exploration programs in the area such as drill of exploration oil wells. In this case, the company expected to spend 10 to 30 million U.S. Dollars.

The Sultanate of Oman Government will not hold any investment risk during the exploration period.

The Ministry of Oil & Gas wishes the investors all success in the new oil wells exploration and hope that their contribution may increase the oil reserve and the oil production level in the Sultanate.