

In Zagreb on 28 February 2008

INA announces production start-up on two new fields on the Hayan Block in Syria

Production start-up on the Jazal oil field and Mustadira gas field, Syria

Following INA, d.d. Management approval of the Development Plan for the Jazal oil field in May 2007, development operations on this field have commenced. In June 2007, Jazal-1 well was completed for production and in the second half of 2007 the field was connected with the Jihar oil station by a pipeline. During test production, productivity of the well will be determined.

Commercial gas and condensate reserves on the Mustadira field were discovered by Mustadira-1 exploration well. In June 2007, a Notice of Commercial Discovery was submitted to the Syrian Petroleum Company for the Mustadira gas field, which was then approved by SPC in August 2007. Thereby, the approval for development of this field was obtained. By the end of 2007, Mustadira-1 well was completed for production of gas and condensate. In January 2008, the well was connected to the existing transportation system Palmyra-GTP Arak with a pipeline, and test production on this field commenced on February 15th. During test production, optimum well production i.e. production indicators will be determined.

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