



Press release

6 July 2021

Shah Deniz 2 starts production from the East South flank

- *Another major Shah Deniz 2 milestone achieved safely and on schedule;*
- *A total of 400 million standard cubic feet of gas per day to be added to the current production - enough to supply two million homes when fully ramped up;*
- *This will enable Shah Deniz 2 to increase overall production to well over 2.4 billion standard cubic feet per day across the assets.*

The Shah Deniz consortium today announced commencement of production from the East South flank at 540m water depth – a major milestone planned for 2021 and achieved safely and on schedule. Production from this deep-water flank started up on 30 June 2021 following the successful completion of all related offshore construction and commissioning works.

The new East South production flank consists of four wells, two new flowlines and a number of subsea structures connected to the world class Shah Deniz reservoir. It is expected that the flank will be at full production rates in the third quarter of 2021.

Gary Jones, Regional President for Azerbaijan, Georgia and Turkey for bp, the operator of Shah Deniz, said: “This is the biggest milestone we had planned to achieve in Shah Deniz this year and we are very proud to have achieved it safely, on schedule and within the budget despite the challenges and restrictions caused by the covid-19 pandemic.

“Following the completion of the main Shah Deniz 2 infrastructure projects and achievement of first gas in 2018, the entire Shah Deniz team have been working hard to deliver new wells on the remaining flanks and start up new infrastructure in the Shah Deniz subsea system ramping up production from the giant field.

“I am pleased to say that we expect the newly-started East South flank to add about 90,000 barrels of oil equivalent per day to the Shah Deniz field production using two manifolds and over 40km of flowlines to the Shah Deniz 2 facilities. I would like to thank all projects and operations teams whose hard work has enabled the delivery of this very important project in a very challenging time and under extremely hard pandemic conditions.”

Notes to Editors

- Shah Deniz participating interests are: bp (operator – 28.8%), TPAO (19.0%), PETRONAS (15.5%), AzSD (10.0%), LUKOIL (10.0%), NICO (10.0%) and SGC Upstream (6.7%).
- Shah Deniz – located in the Caspian Sea offshore Azerbaijan and discovered in 1999 – is the largest gas discovery ever made by bp.
- The giant field covers approximately 860 square kilometres and had approximately 1 trillion cubic metres of gas and 2 billion barrels of condensate initially in place.
- To date the field has produced more than 140 billion cubic metres of gas and more than 33 million tonnes of condensate.
- The field currently produces ~58 million cubic metres of gas and ~85000 barrels of condensate per day
- The first phase of the Shah Deniz field began production in 2006 delivering more than 10 billion cubic metres per annum (bcma) of gas to Azerbaijan, Georgia and Turkey.
- The second phase of Shah Deniz development began production in 2018 and at plateau will add 16 bcma of gas production capacity to bring total production capacity from the field to 26 bcma of gas.
- Shah Deniz 2 gas started to flow to Turkey in June 2018 and has now reached the plateau 6 billion cubic metres per annum.
- With the full completion of the Southern Gas Corridor (SGC) pipeline system in 2020 gas from Shah Deniz has been flowing to Europe.
- The pipelines that make up the new SGC system consist of the South Caucasus Pipeline expansion (SCPx) through Azerbaijan and Georgia - 428 km of new 48-inch pipeline through Azerbaijan; 59 km of new 48-inch pipeline and 2 new compressor stations in Georgia; TANAP - 1,300km of 56-inch pipeline and 600km of 48-inch pipeline across Turkey; and TAP – 878 km of 48-inch pipeline across Greece, Albania and Italy.

Further information:

Tamam Bayatly in bp's Press Office in Azerbaijan.
Telephone: (+994 12) 599 45 57