

Drilling Starts at Last Major Onshore Oil Fields

By [The Moscow Times](#)

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Drilling under way at one of LUKoil's oil fields.

LUKoil on Tuesday began drilling to tap three oil fields that are some of the country's last known major onshore deposits.

The Imilorskoye, Zapadno-Imilorskoye and Istochnoye fields in Western Siberia owe their discovery and exploration to Soviet geologists, and their sale in December marked the end of an era of sizeable and relatively cheap oil resources.

Russia's largest private oil company coughed up \$1.5 billion for the Imilorskoye and Istochnoye fields on Dec. 25, and wasted no time in putting the prize assets to work.

It initially planned to start drilling there in September, but then opted for a faster track.

"They will significantly improve our output numbers," LUKoil spokesman Dmitry Dolgov said of the fields. "We put all our efforts into getting them started."

The company increased its oil output by 1 percent to 91 million metric tons last year, and is hoping the new fields will boost the rate in the future. First oil from them will likely flow before the end of this year, Dolgov said.

LUKoil estimates that the fields hold a combined 194 million tons of recoverable reserves. It outbid Rosneft and Surgutneftegaz in the tender to develop the deposits.

It appears to have clinched a good deal: Surgutneftegaz, the country's second-biggest private oil producer, snapped up the previous major deposit, Shpilman, in December 2012 for 46.2 billion rubles, an amount worth \$1.5 billion at the time. While LUKoil's fields are more expensive by a relatively small percentage, they hold more than double the 90 million tons at Surgutneftegaz's recent purchase.

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