

IRAQ OIL REPORT

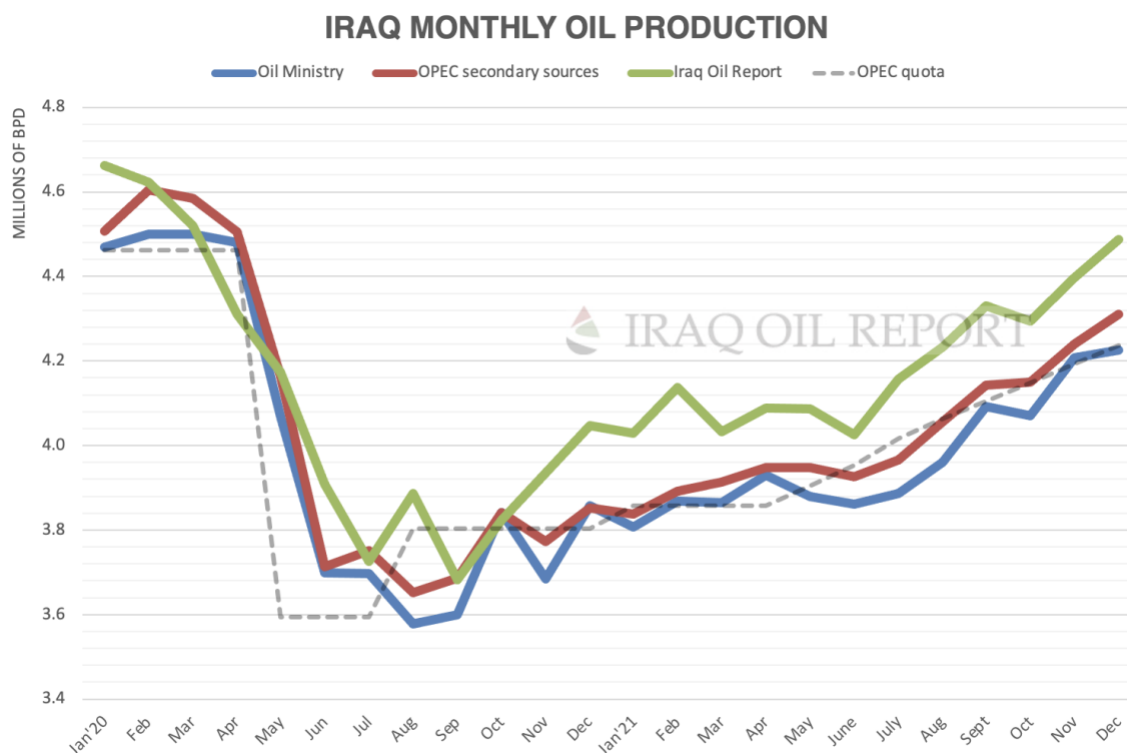
IRAQ OIL AND FINANCIAL DATASET ANALYSIS: DECEMBER 2021

This edition of the IOFD monthly analysis covers the following topics:

- December output nears 4.5m bpd
- Basra IOC fields hit 2021 highs in December
- December marked Iraq's second highest OPEC+ overproduction figure in 2021

COUNTRYWIDE PRODUCTION

Country wide production jumped in December to 4.486m bpd (cell 9:M on your 2021 IOFD spreadsheet), according to our field by field assessment, an increase of 81,000 bpd from October. Iraq self-reported 4.225m bpd for December, while secondary sources reported 4.270m bpd. Iraq's December OPEC+ quota was 4.237m bpd.



December's jump was driven by 2021 highs at Basra IOC fields. Rumaila (row 128), West Qurna-1 (row 130), West Qurna-2 (row 131) and Zubair (row 129) all hit their 2021 monthly peaks in December.

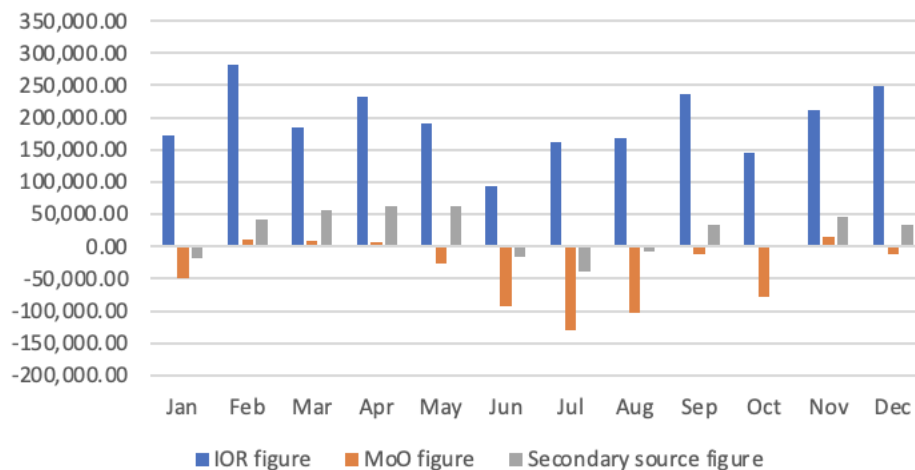
Field	December production 2021	2021 monthly low production	2021 average production
Rumaila	1,427,000	1,284,000 (June)	1,353,511

Zubair	495,000	450,000 (March)	471,083
West Qurna-1	480,000	349,000 (April)	416,107
West Qurna-2	401,000	293,000 (March)	346,370
Total	2,803,000	2,376,000*	2,587,073

**figures occurred in different months*

Iraq also substantially overshot its OPEC+ quota in December, with overproduction at just under 250,000 bpd (cell 13:M), according to our field by field assessment of countrywide output. As noted in the chart below – based on rows 12-15 on your IOFD spreadsheet) our methodology on assessing production suggests Iraq overproduced each month, with an end of year average of 194,000 bpd of overproduction.

Iraq's OPEC+ compliance in 2021



In the above chart, 0.00 represents Iraq's OPEC+ quota level, with positive numbers signifying overproduction, and negative numbers signifying underproduction

Much of the discrepancy between our production figure and the MoO's reporting to OPEC is explained by what we assess to be serial underreporting of direct crude burn by the MoO. From Jan-November, Iraq reported an average of 25,000 bpd of direct crude burn to JODI (rows 96-97). However, in recent commentary, MoO officials have suggested direct burn is closer to 190,000 bpd, an assertion backed up by internal MoO documents relating to crude allocation and usage. Given many secondary sources' reliance on MoO reporting to JODI as a component in creating their production assessments, it is not surprising that their assessments track closer to the MoO's own figures than ours do.

Iraq Oil and Financial Dataset (IOFD)

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