

Distr.: General 24 September 2001 English Original: Arabic

Letter dated 21 September 2001 from the Permanent Representative of Iraq to the United Nations addressed to the Secretary-General

On instructions from my Government, I have the honour to transmit to you herewith a letter dated 19 September 2001 from Mr. Naji Sabri, Minister for Foreign Affairs of the Republic of Iraq. The Minister draws attention to Kuwait's excessive exploitation of the Ratqah oilfield, which is situated on the border and is an extension of the Iraqi Rumailah field, and to the consequences arising from such unilateral exploitation of a shared oilfield in violation of international agreements and practice relating to the exploitation of frontier oilfields. In this connection Iraq would like to draw attention to the fact that it reserves its legitimate right under international law to claim compensation for any damage sustained by Iraq as a result of this unlawful practice on the part of Kuwait.

I should be grateful if you would have this letter and its annex circulated as a document of the Security Council.

(Signed) Mohammed A. Al-Douri Ambassador Permanent Representative



Annex to the letter dated 21 September 2001 from the Permanent Representative of Iraq to the United Nations addressed to the Secretary-General

I wish to draw attention to Kuwait's excessive exploitation of the Ratqah oilfield, which is situated on the border and is an extension of the Iraqi Rumailah field, and to the consequences arising from such unilateral exploitation of a shared oilfield in violation of international agreements and practice relating to the exploitation of frontier oilfields. The details are as follows:

1. Some of the Iraqi oilfields have extensions into Kuwaiti territory, such as the South Rumailah and Zubair fields, Rumailah extending into the Ratqah region and Zubair extending into the Safwan (Abdali) region. The Kuwaiti side had a small number of wells in each of those fields: eight in Ratqah and four in Safwan (Abdali). Production from those two fields on the Kuwaiti side was low owing to the high level of oil-water contact and, before 1990, did not exceed a few thousand barrels per day. However, after the Security Council imposed the demarcation of boundaries, many Iraqi oil wells in both those fields came to be situated on the other side of the border, or in other words, on the Kuwaiti side. The Kuwaiti side began to make statements and announcements and to extend invitations to United States and British companies to conclude long-term contracts for the exploitation of the northern fields, including the two mentioned above.

The United States companies operating in Kuwait began their intensive activity in 1995, when they started their operations by bringing in heavy drilling and workover equipment to work directly on the Iraqi wells that had come to be situated on the other side of the new boundary berm. Extensive, feverish drilling and workover activity was observed in both border areas and was evident in a movement of drilling and workover rigs such as the region had never witnessed before.

The Iraqi side, through its monitoring, observed near-constant activity and the drilling of wells no more than 50 metres from the boundary line. Advanced drilling techniques were used in order to increase considerably the production of the previously existing and new wells in the two frontier fields of Ratqah and Qubbat Safwan. The declared number of wells drilled reached 23 in Ratqah and 17 in Safwan (Abdali).

As a result of these intensive drilling operations and the use of state-of-the-art techniques by the United States companies, Kuwait has been able to increase its production in the Ratqah field to 45,000 barrels per day, a fourfold increase over the 1990 level, and also in the Safwan field, where its production rose to 33,000 barrels per day. This increased activity has resulted in a drop in reservoir pressure and a migration of oil from the Iraqi side to the Kuwaiti side estimated by the reservoir studies carried out by Iraq at more than 50 million barrels. The Kuwaiti side has taken advantage of the situation created by the unjust embargo imposed on Iraq and the suspension of all contracts relating to oil-well drilling and oil spare parts and equipment by the Security Council Committee established by resolution 661 (1990), which has rendered the Iraqi side unable to exploit its frontier oil wells or to implement counteractive technical plans to stop the migration of oil and put an end to this organized plundering of its resources.

2. The depletion rates adopted by the Kuwaiti side in its northern fields (Rawdatayn, Sabiriyah, Bahrah, Manaqish and Umm Judayr) range from 8 to 10 per

thousand of the remaining reserves per year, whereas the depletion rates currently adopted by it in the Ratqah and Safwan fields are 10 times the usual rates. Thus, production capacity in both fields has reached 30 million barrels yearly out of declared reserves for those fields that do not exceed 300 million barrels, which goes against the prevailing technical practices relating to optimum exploitation of deposits. This explains the frenetic activity of the Kuwaiti side in depleting the shared fields with no regard for the enormous negative impact on the subterranean oil deposits, inasmuch as the main objective was to exhaust the two fields unilaterally, using the maximum energy possible, in order to cause Iraqi oil to migrate and to lower reservoir pressure, in total disregard of both technical and legal principles.

This unlawful practice, added to Kuwait's other practices, including its direct participation in the daily hostilities committed against Iraq by United States and British military aircraft operating from Kuwait's territory, territorial waters and airspace, its adoption, since 1991, of a policy of intervention in the internal affairs of Iraq and its efforts to shake Iraq's stability by financing gangs of terrorist hirelings and mercenaries all confirm the role being played by Kuwait in the service of United States and British policy aimed at continuing to inflict harm and damage on Iraq, disrupting stability in the region and threatening peace and security both internationally and regionally.

The undue exploitation by Kuwait of oilfields placed on the Kuwaiti side of the border by the oppressive resolution 833 adopted by the Security Council in 1993, which imposed the demarcation of the boundary, has caused enormous intentional damage to the rights and interests of Iraq, not to mention the intentional harm inflicted on Iraq by the unprecedented resolution concerning the demarcation of the boundary. The unjust, all-encompassing sanctions imposed on Iraq, depriving it of the use of its resources to develop its petroleum industry, and the suspension by the United States and British members of the Security Council Committee established by Security Council resolution 661 (1990) of all contracts relating to oilwell drilling and oil spare parts and equipment have diminished Iraq's ability to remedy that damage. The Security Council bears the responsibility for this situation, and Iraq will, at the appropriate time, present to such neutral bodies as it sees fit its rightful claims in respect of the Kuwaiti side's unilateral and unlawful exploitation of the oilfield shared by Iraq and Kuwait. Moreover, Iraq reserves its legitimate right under international law to claim compensation for any damage sustained by Iraq as a result of this unlawful practice on the part of Kuwait.

> (Signed) Naji Sabri Minister for Foreign Affairs