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International disputes over joint oil and gas fields in the Arab east region

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Abstract

The international dispute over shared oil and gas reserves is a complex global matter with political, legal, and economic implications. Oil and gas are national assets that must be carefully managed. This study has addressed an essential issue commonly arising in conflicts among the countries in the Arab East region. Multiple oil contracts have been concluded, but these are critical for establishing the necessary groundwork for exploring and investing in shared oil and gas reserves. However, the exploitation and development of these common or trans-regional fields sometimes give rise to legal and political complications, adversely affecting the equitable development and investment of these shared, cross-border resources. This study examines the primary sources of dispute in the Arab East region and the absence of peaceful and suitable resolutions for the parties involved. A comprehensive analysis using a historical, descriptive, and analytical approach revealed multiple conflicts among the Arab East Region states around shared oil and gas reserves, including conflicts among Arab nations and Iran disputes. The intensity of these confrontations has hindered the utilization, advancement, and investment in shared resources, resulting in substantial losses for all countries involved.

Keywords: International disputes; Joint oil and gas fields; Arab East region; Dispute settlement; Treaties

1. Introduction

An international dispute is a disagreement between parties subject to general international law on any topic related to the material or moral interests of civil, military, or other realms. This disagreement might be political, economic, legal, or other. The concept of legal individuality is inherently linked to global warfare, and in addition to legal complications, there may also be political and economic entanglements [1].

The origins of international disputes are often difficult to trace due to the complex interplay of several factors. Each international dispute is distinct in terms of the type of dispute and the circumstances that contribute to its initiation and development. Historically, the geopolitical control of sources, influence, and leadership have shaped international conflicts, leading to the ideological nature of conflicts after World War I and the capitalist-communist battle during the Cold War. After the collapse of the Soviet Union, a new type of conflict arose, often based on ethnicity and the desire for independence and self-determination.[2]

Disagreements regarding resources, rivalry for geostrategic positions, or social identity can incite international hostilities. These disagreements are typically rooted in political or legal factors. Legal disputes refer to conflicts arising from implementing or interpreting laws, while political disputes arise from the need to modify existing legal arrangements[2]

The worldwide dispute over shared oil resources encompasses political, legal, and economic dimensions. Every nation must acknowledge, effectively handle, and fully utilize its oil and gas reserves, as these resources significantly contribute

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to the economics of producing countries, particularly in the Middle East[3] Managing this wealth requires meticulous attention in all aspects, encompassing administration, investment, and use.

1.1. Research problem and questions

The purpose of this study is to investigate a significant and persistent issue that regularly evolves into disagreements between Arab nations located in the Eastern region. Continuing disagreements over shared oil and gas fields are the source of this dilemma. Establishing and utilising these shared or trans-regional territories can be fraught with legal and political challenges, even though many oil deals have already been carried out. When parties involved in the oil and gas business's investment, development, or production phases cannot reach a consensus on whose rights apply to particular elements of the field or infrastructure, disputes are likely to arise. These jointly operated oil and gas regions are seeing a halt in development, production, and investment due to the failure to reach fair and acceptable agreements. This has resulted in significant financial losses for all of the parties involved. Furthermore, this severely impacts the overall security situation throughout the entire region.

Accordingly, this study analyses the disputes over joint oil and gas fields in the Arab East region. To undertake such an examination, the following research questions will be addressed:

- What does a joint oil and gas field mean?
- How are these shared oil and gas fields managed, exploited, and invested?
- Which countries are raising these disputes over joint oil and gas fields?
- What are the reasons for the failure to find peaceful and satisfactory solutions for the parties concerned around these shared fields?
- What are the reflections of the ongoing disputes over these shared oil and gas fields on the security and economy of these countries?

1.2. Methods

An extensive collection of secondary data has been gathered to analyse the study questions concerning disputes in the Arab East region over shared oil and gas fields. Furthermore, historical and analytical research approaches are utilised to analyse themes linked to the study. The historical narrative and content analysis approaches are also employed to explore associated research subjects.

For this investigation, the historical narrative approach will be utilised. Munz[4] argues that comprehending the current state of affairs is contingent upon one's acquaintance with historical occurrences. In their work, Mitchell and Egudo[1] define a historical narrative as a methodical approach to arranging and presenting historical events and data coherently and structured to create a story about the past. To thoroughly examine the reasons, consequences, and importance of the events being discussed, it is frequently necessary to arrange them chronologically or thematic.[4] The historical narrative approach enables us to comprehend the past and present relationships and disagreements concerning shared oil and gas fields in the Arab East region. The historical narrative approach is an essential method to build linkages between the past and the present and grasp the acts these countries took in the past.

Additionally, an analytical approach uses analysis to deconstruct an issue into its essential elements to generate a solution[2] An analysis approach is used to assess the issue thoroughly, identify its underlying causes, and formulate plans to address these core concerns. Zzkarian and Kusiak[1] propose a strategy that focuses on breaking down a complex process into its constituent elements to gain a more thorough understanding of the process as a whole. Qualitative content analysis methods aim to analyse not just the explicit content of a text but also the underlying or hidden meaning that may be deduced or extracted from the text, even if it is not explicitly mentioned. As stated by Selvi[1], qualitative content analysis is a systematic approach that aims to compress unprocessed material into distinct categories or themes using particular inference and interpretation techniques. Renz et al.[2] describe this strategy as utilising inductive reasoning, which involves systematically examining and comparing data to identify themes and categories. This study will employ the qualitative content analysis approach to uncover the root causes of disputes among Arab Eastern countries regarding shared oil and gas fields. The study aims to understand the motivations behind the persistence of these disputes and the absence of final and comprehensive resolutions.

2. The concept of conventional gas and oil reservoirs and their administration

2.1. The concept of gas and oil fields that are jointly owned and utilised

The oil field is situated in one state but extends into the territory of one or more other states, traversing through them and spanning across the borders of at least two states. Common fields are known to have geological ranges that extend across boundaries. These fields involve the transportation of goods or materials across state boundaries. The production-to-stock ratio exhibits variation across different fields and states, as well as among various factors such as the field's composition, land characteristics (such as elevation and slope), and the techniques and investments employed for drilling, prospecting, and extraction (including the equipment utilised which significantly impacts the outcomes). [5] Due to the geophysical composition of the oil field, the presence of many oil reservoirs, and the ability to drill more than one well in a reservoir with hydrocarbons, these shared fields have the potential to create conflicts between states. Common oil fields can be classed in multiple ways [6]

- It is categorised into two groups based on the number of member states:
 - Examples of bilateral joint fields, such as those between Iraq and Kuwait, are located exclusively between two states.
 - Oil fields located in the North, Caspian, and Arabian Gulf are shared communal fields. These fields are situated or expanded beyond the boundaries of many states and encompass a triangular region that includes oil fields shared by three or more countries.
- Oil fields can be classified into two categories based on their geographical location:
 - Multiple states are engaged in land-based joint oil fields within each other's international borders.
 - Offshore oil fields are collectively owned and operated by multiple states and are located within their separate international maritime boundaries.

2.2. Characteristics of joint oil and gas fields

The bulk of oil fields commonly exhibit some shared qualities. According to Saleh [7] these characteristics are:

- The output and inventory in these fields are of significant magnitude. These fields have substantial production capacity and hold vast amounts of oil reserves.
- These fields are the meeting points where the borders of two or more states overlap.
- To guarantee their continued maintenance and sustainability, the involved parties must reach a consensus on the utilisation, investment, and advancement of the resources. This phenomenon is referred to as cooperative exploitation.
- Extraction of oil from the fields requires the consent of multiple governments and cannot be done unilaterally by a single state. Alternatively, this situation has the potential to incite deliberation and discord among states, ultimately resulting in a scenario of armed conflict.
- It is imperative that all parties involved have equitable access to oil that is extracted in a manner that upholds their rights and effectively tackles their challenges.
- Establishing a bilateral or collective agreement among the States interested in the oil fields is essential for defining and outlining their international borders. This agreement includes specifying the procedures for utilising the shared fields.
- Engaging in collaborative studying, investigating, and conducting research. Collaboration and collective endeavours are essential for investigation, exploration, and revelation. Specialised authorities may select particularly relevant parties based on their involvement in developing the oil field's production capacity, the number of wells in the field, the stock or estimated reserve, and the significant technological and financial potential of these operations.

2.3. Joint oil and gas field production and exploitation management

The management and exploitation of the joint oil fields shall be as agreed by the parties concerned, as follows:

- Indirect joint management, also known as direct exploitation, is when the parties directly enter into an agreement outlining each other's responsibilities. The specialised corporations of the relevant states will often be responsible for implementing it. Every aspect of the shared oil field's investigation, extraction, development, transportation, and sale will be coordinated. Establishing committees to oversee the implementation of agreements and coordinate production and exploitation of shared oil fields is an excellent way to keep everyone on the same page. [5]

- Indirect joint management: The states involved agree to choose a specialised oil business to oversee the production and exploitation of their shared oil resources. Each state will receive an equal portion of the oil produced or its value. Numerous Western oil corporations specialise in this area and possess the necessary knowledge and cutting-edge technology.[3]
- The power to administer and exploit is granted to a state: this allows the state to oversee the production and exploitation of shared oil fields, while the other parties involved receive a piece of the production or a percentage of the oil's worth when sold. The rarity of this approach should be emphasised here[2]

2.4. The groundworks for shared oil and gas fields disputes resolution

As stated in Chapter VI of the Charter, the international community has stressed that nations should resolve their disputes peacefully, which may include seeking assistance from the International Court of Justice when needed. Every member of the international community must settle their international conflicts amicably, in a way that does not endanger world peace, security, or justice, as stated in Article 2, paragraph 3 of the United Nations Charter. Peaceful and diplomatic approaches to settling international conflicts include conciliation, mediation, investigation, good offices, and negotiation. The UN Security Council and other international and regional bodies must work together to resolve these conflicts. Another option is to use legal and judicial processes to settle international disputes. The two most important are international arbitration and the International Court of Justice's jurisdiction. Additionally, there are several ways to resolve conflicts over shared gas and oil fields in addition to the ones already listed. These agreements include bilateral treaties, collective bargaining agreements, joint committees, and the participation of regional and international organisations like the Gulf Cooperation Council, the International Security Council, the League of Arab States, and OPEC. The following is crucial for resolving international disputes over shared gas and oil reserves[5]

- The goal of balancing interests is to find a way to deal with both states' concerns equitably and fairly. This involves settling on a fair distribution of development costs according to each party's share and agreeing on an equal distribution of the field's output.
- When working in a shared oil or gas field, avoiding harming the other party under the concept of non-harm to others is essential. Examples of such behaviour include going above the agreed-upon quota, sneaking quantities out from under the other party's nose, or using methods that hurt oil output.
- When two or more parties agree to share the management and use of an oil or gas field, they say they own it jointly. This can be achieved by collaborative management, either directly or indirectly, or by entrusting the administration and exploitation to a state.

3. International disputes over joint oil and gas fields in the Arab East region

The region of the Arab East is experiencing numerous international disputes over oil and gas fields common to the States of the area, which have not yet reached peaceful and satisfactory solutions for the parties. Perhaps one of its highlights is the following:

3.1. Disputes between Iraq and its neighbours in the region

The shared oil fields of Iraq and its neighbours are unique among oil fields worldwide, not because of their geology or the amount of oil they contain but because of the political sensitivity of the subjects surrounding them. One obstacle to negotiating their shared areas is demarcating the boundary between Iraq and surrounding states, especially those with Kuwait and Iran. The history of those states is much more convoluted; they have been through a protracted war that has affected everyone involved materially and morally.[6] The demarcation line between these states is still the subject of debate and controversy. Since a significant portion of Iraqi territory, including oil-producing and economically significant wells, has been cut off, the border structures between the two nations have persisted, even though the United Nations adopted resolution 833 (1993) regarding the demarcation of the border between Iraq and Kuwait. Iraq feels that the separation has been politicised for Kuwait's benefit and is unfair. Shortly after the discovery of Iraq's southern Rumella fields and Kuwait's Rutka fields, the issue of shared fields between the two countries arose. The two fields were part of a single oil system; one country's investments hurt the other[7] To make matters worse, Kuwait had been investing in this area since the mid-1980s—specifically, from the Rutka field—but only produced around 60,000 barrels per day, compared to 1.5 million barrels from the Iraqi South Rumaila field. Not only has Kuwait disregarded the assets of the international transaction, but it has also purposefully avoided paying Iraq for its portion of the reservoir, which is significantly larger than its own. Iraq has illegally extracted large quantities from the reservoir using skinny drilling techniques[7]

The Rumaila, Zubair, Safwan, and Artawi fields in Iraq, the Ridtan, Al-Abdali, and Burkan fields in Kuwait, and Am al-Manaqish, Dabbi, and Modud are all examples of joint geological structures. These formations share features with rocks that hold natural gas and crude oil; they facilitate the movement of fluids in the fields and allow for oil extraction through dredging a width of 1,000 to 2,000 meters and a length of 1,000 to 3,000 meters[5]

After discovering that the Rumaila and Zubair fields share the same geological structure as the nearby Kuwaiti fields, Kuwait agreed with Shell, ExxonMobil, and Chevron Texaco after 1991. This agreement aimed to carry out seismic surveys and exploration in the areas surrounding the southern Rumaila field. As a result of these efforts, a new field called the Dhabi field was discovered. The horizontal drilling technique was employed to extract and produce oil. Furthermore, Kuwait took control of 38 wells from the North Rumaila field after 1991.[1] Evidence suggests Kuwait has obtained a daily supply of 150,000 barrels through a partnership with Shell, Exxon Mobil, Chevron, and Texaco since 1991.[1] In exchange, the South Oil Company conducted drilling and production activities in the Western Safwan Dome to alleviate strain on the field[8]

Despite engaging in multiple negotiations, Iraq and Kuwait still need to establish a definitive settlement that includes an agreement to divide oil production between the two nations based on the proportions and quantities of their respective oil reserves. Therefore, the legal issue hinders shared territories' just and impartial utilization[9] The unresolved status of these areas continues to be a challenge in light of the efforts to establish normal relations between Iraq and Kuwait and initiate a new phase based on good neighbourliness and mutual respect. The absence of interest in this topic also results in substantial economic losses for both parties. Consequently, it is crucial to establish equitable agreements that ensure the parties' rights to invest in and utilise these fields.

However, the continental shelf and territorial sea adjacent to the Iranian, Iraqi, and Kuwaiti borders remain a contentious boundary. Although various nations have staked competing claims to these territories, no firm borders have been drawn. The oil fields that were found stood out among the rest. From a geographical sharing perspective, Iraq claims some territorial waters. Still, Iraq has tried and failed on several occasions to negotiate with its neighbours in the hopes of reaching an accord with both of them. At the same time, they only consulted Iraq after reaching a bilateral maritime agreement with Iran and Kuwait. As early as 1968, Iraq clarified that it would not follow the 1968 agreement that defined the marine borders between the two nations.

Iraq has long been aware of the problem of territorial sea and continental shelf sharing with neighbouring Kuwait and Iran. Although certain territories overlap, the main issue is that they cannot be identified as belonging to one country. Consequently, there is an overlap in the states' rights to some natural resources, especially oil and gas deposits.[10] The fact that a third party can only be bound by a bilateral agreement with the other party's assent means that this problem will not go away. Iraq has not had access to the usual oil and gas reserves in the marine regions surrounding its coastlines because of its unique geographical position on the Arabian Gulf and its particular circumstances in the last few decades. In addition to violating the essential principles of justice, this fails to meet the standards usually associated with border limitations in cases like these. Conversely, various bilateral agreements among the neighbouring governments in the Gulf region have codified the principles of justice and fairness into law in the Gulf governments.

Regarding the Iraqi-Iranian fields, multiple investigations have shown the presence of oil fields that span borders. One example is the Abu Graab field, the Dahrhan 1 and 2 field on the Iranian side. This field is situated in the Aylam governorate. The Nafit Khanha field often called the Naftshahr field on the Iranian side, was discovered in 1972. It is located in the Aylam al-Hawazi region. The Fakkah field, also known as Iran's Pydar West field, has been developing these and other conventional fields since 1963.[8] Delegates from Iraq, Iran, and Kuwait convened in Geneva starting in 1963 to engage in negotiations to settle their border conflicts. During the discussion, all parties expressed their unequivocal commitment to finding a fair resolution to their disagreements, including shared oil fields. In November 1963, a delegate from Iran visited Iraq, where they talked with the Iraqi authorities over border matters. It was announced that both States had mutually agreed to invest in oil exploration and production in both cross-border fields and disputed areas on land and at sea, taking into account the interests of both States. However, the problem still needs to be solved and has sparked debate and controversy between the parties, with no fair and practical solution protecting their interests. The matter has been considered and included in numerous meetings during the official visits. The shared fields between Iraq and Iran have resulted in various issues that hinder their development. One such problem occurred in the Abu Ghorb field in Maysan governorate, where Iranian border guards obstructed Iraqi oil personnel from carrying out necessary repairs in the field, which Iran is currently exploiting. In December 2009, Iranian forces went beyond the fourth well of the Fakkah field due to the absence of clear boundaries between the two countries. A colossal oil reservoir named Azadkan was unearthed in Iran in 1999, situated approximately 10 km away from the Iraqi border and 25 km from the Iraqi Medjnoune field. Iranian bunkers and fields are moving in a northwest direction towards the south. This increases the possibility that some may expand into Iraqi territory and must be developed and operated as shared fields.

The control and administration of oil and gas resources are complex aspects of the domestic competition and conflict between the Federal Government and the Kurdistan region of Iraq in well-known negotiating areas[4] The ongoing conflict over the Diyala oilfields and the shelling of the Khurmur gas field, currently controlled by the Kurdistan Regional Government, has revealed a noteworthy aspect of the geopolitical, economic, and security dispute in these areas. [7] In 2007, a significant event increased the Khurmur field's strategic significance. During that period, the Kurdistan Regional Government achieved a significant milestone by successfully attracting a coalition of prominent energy corporations to invest in extracting natural gas on a big scale in this field. Until 2009, U.A.E. firms held exclusive control over the coalition's Khurmur investment interest. However, the same year, Empress and European corporations were welcomed into the alliance with different ownership shares: Dana Gas and Crescent enterprises held 35%, while OMV, MOL, and RWE each had 10%.

A consortium of enterprises has successfully increased natural gas production from the Khurmur field. Dana Gas has reported a threefold rise in output from 2018 to 2021, with a total daily production of 452 million cubic feet, 15,000 barrels of capacitors, and over 1,000 metric tonnes of liquefied oil gas. This increase has fulfilled the natural gas demands of the electric power sector in Iraq's Kurdistan region. The Coalition of Companies has set a target of achieving a production level of 900 million cubic feet per day by 2023. This is an important milestone that will enhance the value of the field. To achieve this, the Coalition has developed an ambitious plan to extend and upkeep the natural gas treatment lines at Khurmur Station[8]

Following the Federal Court's ruling to invalidate the oil and gas agreements entered into by the Kurdistan Regional Government with international corporations in February 2022, tensions between Erbil and Baghdad escalated substantially. Jiad [9] suggests that the increasing economic importance of the Khurmur field may have caused a change in concentration towards it. This statement reflects the tense relationship between the Kurdistan region and the federal government and the growing connection between energy issues and political instability at several levels (local, national, and international).

The preceding information shows that Iraq, Iran, and Kuwait have many disagreements on their oil and gas rights share. The absence of a definitive demarcation of the boundary between the parties concerned and the lack of an explicit agreement on the rights of these parties in these common fields, as well as the mechanisms for their development and investment, are two of the most important reasons for the existence of these conflicts and the fact that they continue to exist. Because of this, development has been halted in some of these disciplines, and in others, efforts to develop or invest in these industries in a manner that is beneficial to all parties involved have been attempted but have been unsuccessful. Consequently, this has resulted in economic losses, which have, in some fashion or another, impacted the expansion and development of these countries. Furthermore, on certain occasions throughout history, these disagreements have developed into military incursions, such as the one that took place between Iraq and Iran, or into a war between the parties, such as the one that took place between Iraq and Kuwait in the year 1991. The security and stability of these states, particularly, and the area as a whole, have been negatively impacted.

3.2. Disputes between Saudi Arabia and Gulf countries

The distribution of shared gas and oil resources is a significant cause of disagreement among Gulf governments. In the early 1920s, Saudi Arabia and Kuwait engaged in a dispute over the neutral zone, which eventually escalated into a full-fledged border conflict. The Aqrah Convention of 1922, which serves as a fundamental agreement, continues to delineate the conflicting nations' territories and marks the struggle's conclusion[8] The neutral zone established by the Convention covered an area of 2.228 square miles, which accounted for 32% of Kuwait's current land area and 0.2% of Saudi Arabia's total land area. The two nations equitably allocated the partitioned region's oil output, natural resources, and governance. However, the Convention had a minimal impact in alleviating the hostilities between the two nations. Saudi Arabia implemented a prolonged blockade on Kuwait from 1923 to 1937 to achieve regional benefits. Similar to the Abu Safa Agreement with Bahrain, Saudi Arabia aimed to employ financial incentives to compel Kuwait to relinquish a portion of its sovereignty. Despite these efforts, the situation remained unresolved.[1] In 1957 and 1958, tensions escalated again between the two nations following Saudi Arabia and Kuwait's granting concessions to oil corporations in the neutral zone. It continued to exist even after the 1965 Convention established two principles: the first premise was the equitable distribution of authority over the landmass to Saudi Arabia in the south and Kuwait in the north. As stated in the Convention, the second principle aimed to regulate the extraction of all natural resources, such as oil and gas fields, regardless of their land or sea location. This principle also emphasised the importance of maintaining oil concessions and ensuring that both parties respected each other's rights regarding the shared ownership of natural wealth. However, the ongoing dispute regarding the islands of Umm Al-Muradim and Karo continues despite the implementation of this accord. Kuwait asserts its ownership of the islands, while Saudi Arabia seeks shared ownership

with Kuwait. As a result, the agreements made by the parties have been unsuccessful in resolving the issue, whether it is related to sovereignty or the allocation and management of natural resources[6]

Despite decades of negotiation, new international agreements have yet to be achieved. Over the past decade, hostilities have reignited. Saudi Arabia unilaterally extended Chevron's concession for an additional 30 years, till 2039, without seeking Kuwait's input. Kuwait is highly dissatisfied with this decision. An analysis from Kuwait regarding the factors that impact its entitlement to exercise self-determination over its land. Kuwait's government has opted to withhold work permits and import licenses from its people, preventing them from carrying out their professional duties. As a result, its services have been deactivated. The oil forger refinery, constructed by a company that Kuwait intended to terminate its contract with, has a daily production capacity of 615,000 barrels. The company's offices and the refinery are located nearby. The Saudis voice their dissatisfaction with the Kuwaiti restrictions, recognising that they cannot be applied universally to riches and considering them illegal. Kuwait has the legal authority to enforce its laws and administrative orders in the Wafra region, situated in the northern section of its sovereign territory, as stated in the 1965 Convention[7]

A fresh dispute has arisen around the Al-Durr Marine Field, which holds a reserve of 310 million barrels of oil and 200 billion cubic meters of natural gas. This undertaking also includes Iran. Before engaging in any sharing arrangements, Saudi Arabia firmly demands the transfer of output to the Al-Khafji Oil Complex, asserting its control of the facility. While Kuwait has been receiving its designated share, it desires to obtain its portion from the oil field directly. As a result, all development efforts were suspended in 2013. Production in Saudi Arabia also halted in 2014. Saudi Arabia decided to shut down the Al-Khafji field, which has a storage capacity of 6.3 billion barrels, and the Wafra field also followed suit.^[9] The daily output capacity is 300,000 barrels. Companies such as Chevron and Gulf Oil of Kuwait are capitalising on this opportunity. The judgment is justified due to the environmental concerns arising from production equipment issues and the emission of complex gases. In May 2015, following consultation, Saudi Arabia and Kuwait jointly decided to close it temporarily for two weeks. However, Kuwait views that activities have not yet resumed as a unilateral breach of the agreement. According to the agreement, giving a warning period of five years was required before doing this. Kuwait is concerned about the potential significant financial losses from the shutdown[9]

While other factors were at play, the main one was oil transfer from this shared field to the Saudi Savannah production, which led to the shutdown in October 2014. Therefore, the Kuwait Court of Accounts has proposed a joint committee to investigate the details and propose solutions. To stop this bleeding, the Kuwaitis have proposed digging 240 wells in the Savannah area. Because it denies that resources have been transferred from Alkhaji to Savannah, the world's most extensive underwater field, Saudi Arabia is fighting against the construction of these wells.[2] On Saudi Arabia's behalf, Chevron and the Kuwait Gulf Oil Company worked together to operate the Wafra field. Nevertheless, the Al-Khafji field was run by the Saudi Arabian Oil Giant Company and the Kuwait Gulf Oil Company. With a total of 3.4 billion barrels in reserve, the Al-Khafji field has produced 220,000 barrels daily since 1954.^[11]

The neutral zone produces about 700,000 barrels of oil daily and has almost 60 billion reserves. It also has 25 billion cubic meters of natural gas that has not been used. The Alkhaji ore is retrieved from the coastal fields, while the neutral zone exports three distinct kinds of crude oil. Two interstate wild fields operated by Chevron provide the other two resources: Wafra and Eusine ore. Compared to Saudi Arabia, Kuwait places a far higher value on the region's oil because of its vital role in its economy and productivity. The oil produced by Kuwait is responsible for about 23.7% of the region's budget deficit and 9.8% of the region's total oil production. The general budget deficit of Saudi Arabia amounts to 8.1% of the total output, whereas oil only accounts for 2.5% of that total. The shutdown of operations in the common field has cost Kuwait far more money than it has cost Saudi Arabia. Considering the ensuing drop in oil prices, this is very noteworthy. However, this March, Kuwait and Saudi Arabia announced a resolution to restart oil production in the neutral zone of Al-Khafji. According to Ali,^[11] the quantities that have been agreed upon would not harm the environment.

Saudi Arabia has determined the closure of all the land and marine oil fields, directly or indirectly, based on its policy toward neighbouring countries. Saudi Arabia asserts that Kuwait is confronting an unviable financial burden due to the cessation of production in the neutral zone. Consequently, Kuwait may be pushed to relinquish ownership in exchange for a portion of the earnings derived from its exploitation. The continuous conflict between the two states has acquired a political and economic aspect due to moves made by Saudi Arabia. According to research from the Al Jazeera Institute of Studies, the political side is that prior border accords, such as the 1965 Treaty and the Treaty of Aqrah, have been unsuccessful in resolving the main issue: the parties' desire for control over the entire territory. Regarding the economic aspect, substantial disputes exist concerning the distribution and usage of oil resources.

Since achieving independence in 1971, the United Arab Emirates has been embroiled in a dispute with Saudi Arabia over the ownership of the Sheba field, which has gas and oil reserves. The field is located in the uninhabited quadrant, near the boundary with the Emirates. The field is located 10 km from the southern boundary of Abu Dhabi, and official maps and paperwork support its ownership. The Al-Sheba field deposit, explored two years ago, has around 13.6 billion barrels of valuable Arab crude oil and nearly 25 trillion cubic feet of gas. In 1974, after signing the Jeddah Convention, Riyadh agreed to relinquish its claim to the Al-Buremi oasis, while Abu Dhabi decided to surrender Khawr Al-Aideed, a coastline area of 25 km in length located between Abu Dhabi and Qatar, as well as around 80% of the Sheba oil wells.[6]

Due to increasing tensions between Saudi Arabia and the UAE, the UAE needed help to conduct exploration activities on the islands in the empty quadrant of the Sheba field to identify possible oil and mineral reserves. Abu Dhabi asserts that 80% of the field is located on land temporarily given to Saudi Arabia when the Emirates declared independence as part of a deal to resolve the Al-Burimi boundary dispute. Nevertheless, it is essential to highlight that when Prince Nayef bin Abdulaziz, the former Saudi Minister of the Interior, visited Abu Dhabi in 2005 to negotiate this agreement, there was no mention of a request for instructions about the utilisation of the portion of the Sheba oil field located on the shared border. Aramco, a prominent Saudi Arabian oil company, continues diligently expanding its oil resources. According to the official website of the Field Owner business, the company increased production by 250,000 barrels in 2016, resulting in a total production capability of 1 million barrels per day for the Sheba oil field. Aramco states that the global oil demand can be satisfied for over 160 days, and Europe's market can be fulfilled for more than two years using the Sheba field. This field, considered a valuable asset for the Saudi economy, can produce around 1.3 million daily barrels for 70 years.

The disputes regarding the borders of Saudi Arabia and most of the five GCC states have continued due to their shared interests as oil-producing nations. There is a common demand for the return of land that Saudi Arabia does not legitimately possess. Certain states remain silent on territorial claims, while others are resolute in their determination to revise or modify previous agreements to resolve these problems[9]

3.3. Gulf-Iranian Disputes

The conflicts in the Gulf region have intricately intertwined economic, political, and security matters. As a result, effectively overseeing the oil and gas reserves in the Gulf of Iran will present considerably more difficulties in terms of communication and collaboration. Iran shares 28 fields with neighbouring states, consisting of 18 oil fields, four gas fields, and six oil and gas fields. This sets Iran apart from other countries with a significant concentration of common intellectual interests. Arihi and Abdullah[9] assert that Iran has 28 fields. Out of the total, Iraq mutually possesses 12, seven from the Emirates, two from Qatar and the Sultanate of Oman, and one each from Turkmenistan, Saudi Arabia, and Kuwait.

The Al-Durra gas field debate in the Gulf is a matter of great importance that concerns the countries of Iran, Kuwait, and Saudi Arabia. Since its discovery in 1967 in the waters of the Gulf, this field has been disputed between Iran and Kuwait. The land referred to as Al-Durrah in Kuwait is likewise recognised as Arsh in Iran. In the 1960s, Iran and Kuwait issued marine concessions to Royal Dutch Shell and the Anglo-Iranian oil business (later known as "BB"). This resulted in a battle over the field. As reported by BBC News,[1] the two concessions were situated in the northern portion of the field, which is expected to hold 220 billion cubic meters of reserves available for exploration. The diplomatic relations between the three factions vying for control of the Al-Durrah gas field have deteriorated further. The Gulf States demand that Iran provide evidence to substantiate its claim to the shared oil field between Saudi Arabia and Kuwait. The protracted dispute has been intensified as the Gulf Cooperation Council (GCC) governments assert that the oil field revenues rightfully belong to the two Gulf nations. Saudi Arabia convened a meeting of the foreign ministers from six member states, namely Bahrain, Emirates, Kuwait, Sultanate of Oman, Qatar, and Saudi Arabia. This fact was explicitly stated in a statement issued during the meeting[11]

In March 2022, Kuwait and Saudi Arabia signed a cooperative field development agreement over Iran's protests, which Tehran deemed as illegal. Countries strive to develop the spin field, with a production capacity of 84,000 barrels of capacitors per day and 1 billion standard cubic feet of natural gas per day. The Kingdom has repeatedly called on Iran to resolve the border disputes, notwithstanding the clear stance of the Gulf states, especially Saudi Arabia, that the resources of the Al-Durra field belong exclusively to Saudi Arabia and Kuwait. Regrettably, no definitive determinations have been made on utilising the field. Iran's claims can only be resolved through legal and technical deliberations, as other approaches would not result in a just outcome. The Gulf States and the Kingdom assert that disputes concerning shared gas and oil reserves must be settled in conformity with international law.

The three strategically significant islands in the eastern Arabian Gulf are subject to dispute between Iran and the UAE. The United Arab Emirates asserts its sovereignty over the islands and demands that Iran, which it has governed since 1971, return them. Iran maintains that its claim to the islands is immutable.[9] The islands of Greater Tunb, Lesser Tunb, and Abu Musa are located in a strategically significant area of the Arabian Gulf. They provide security for crucial maritime pathways such as the Hormuz Strait, which links the Arabian Gulf and the Gulf of Oman and is the primary gateway to the Indian Ocean. Approximately 40% of the world's daily oil production relies on this passage. Additionally, close to the island of Sari in the Emirate of Sharjah, there exists an Iranian oil field called "Fazam," which is referred to as the "Fallah Field" on the UAE side. In 1887, Iran acquired ownership of this field, which is strategically significant due to its proximity to other oil and gas fields in the UAE. There are also disagreements regarding the Nasrat field, which the UAE calls the Al-Fatah field near Sari Island. The field and the adjacent field of the same name on both sides are estimated to hold 9.2 billion barrels of oil. Lastly, we have the Salman or Sasan field, which holds tremendous significance due to its proximity to the Abu al-Bakhush al-Amiriya field, founded in 1953. The estimated inventory of this field is believed to contain 200 million barrels[10]

Iran alleges that Qatar is taking advantage of the shared large gas reserve, known as the Northern gas field by Qatar and the South Fares field by Iran. This field is situated in the Gulf seas, precisely on the shared border between Iran and Qatar. The gas field is the largest in the world, boasting a total gas reserve of 39 trillion cubic meters and a gas capacitors reserve of 56 billion barrels. Iran's participation in the gas sector is anticipated to be 14 trillion cubic meters, while its share in gas capacitors is estimated at 18 billion barrels. This accounts for around 8% of the world's gas supply.[11]

There are continuing conflicts around the Hingam oil field in the Harmskan governorate near the Strait of Hormuz in southern Iran. This oil field has a substantial reserve of over 700 million barrels of oil and approximately 2 trillion cubic feet of gas. These issues involve Iran and the Sultanate of Oman. The Frozen field is adjacent to the Saudi Morgan field, approximately 100 kilometres south of Khark Island, Iran. The oil reserve for the field is estimated to be 2.309 billion barrels.

Periodically, Iran's ongoing Gulf conflict resurfaces, often through diplomatic channels and the energy sector, which has become a volatile issue in the region in recent years. Iran has frequently accused the Gulf States of aiding some parties in the "exploitation" of shared areas within Iran. Saudi Arabia is assisting Kuwait in increasing its share extraction, Kuwait is helping the Emirates, and the United Arab Emirates is supporting Oman in a particular endeavour. Qatar, the sole Gulf State that resolved its oil conflicts with Tehran, was not exempt from the Iranian claims. The Gulf countries, particularly Saudi Arabia, place great significance on shared fields with Iran because of their paramount security and economic value. Iran is accused of constantly disregarding the rights and shares of these countries in these shared fields.

4. Conclusion

Oil and gas fields that extend across multiple states are known as joint fields. These fields can be located in one state but partially violate the borders of another or more states. Disputes over shared gas and oil fields have political, legal, economic, and security implications on a global scale. Regarding the Arab East's national and regional security, border disputes rank high on the list of critical issues. They are the product of both the lingering effects of colonialism and the ambitions of certain surrounding groups bent on expanding their territory. The national security of the countries in the area is so severely and negatively affected by them. Furthermore, they are a vital contributor to the regional threat, which in turn escalates tensions and could lead to a military conflict. This would weaken the regional countries and make them more susceptible to crises and problems, undermining their security and stability. The result would be a painful reality that achieved its goals—the division of the region and the creation of a new Middle East incapable of dealing with the increasing regional and international challenges.

Disputes over shared oil and gas resources have arisen again and time again throughout my investigation in the Arab East. Iraq, Iran, and Kuwait are embroiled in a protracted conflict over the distribution of oil and gas. The lack of an explicit agreement between the parties involved in managing production, development, and investment for these common fields and the lack of a clear demarcation of the boundary between them are two of the most important reasons these conflicts exist and continue. The result has been a halt to progress in certain areas and an inability to develop or invest in others in a way that benefits everyone involved. This has resulted in financial setbacks that have impacted these nations' progress and development in some manner. Furthermore, at specific points in history, these disputes have escalated into military incursions, as seen in the case of Iraq and Iran, or into all-out wars, as in the case of Iraq and Kuwait in 1991. These states and the region's stability and security have taken a hit.

Contrarily, Saudi Arabia is embroiled in many border conflicts and disagreements with most of the five GCC states. Sharing a goal with other Gulf States, Saudi Arabia is looking to amass as many oil and gas resources as possible. This

will allow them to leverage their regional influence and technical capabilities for exploration and extraction. The goal is for Saudi Arabia to secure the lion's share of these resources' output, which would benefit its economy and solidify its position as the dominant power in the area.

This rivalry between these parties is constantly renewed, and the Iranian clashes in the Gulf are particularly violent. A pair of portals, one dealing with policy and the other with the gas and oil industry, has become a ticking time bomb in the area. The oil and gas resources that Iran shares with the UAE, Oman, Qatar, and Kuwait are the source of continuing disagreements between the two countries. The Gulf nations and Iran are constantly accusing one other of taking advantage of each other's rights and shares. As a result of the recent international embargo imposed by the US, the Iranian economy has taken a nosedive, and Iran is eager to rehabilitate its finances by exploiting all of the shared oil and gas fields with these parties. Iran is attempting to use this report to influence U.S. regional policy and to strike a balance between itself and Saudi Arabia, especially in the oil market.

All of these nations have suffered tremendous losses due to the intense political and security tensions that have arisen due to these conflicts and the failure to exploit, develop, and invest in common fields that would benefit all parties involved. As a result, these nations need to resolve their differences amicably through diplomatic and political channels, and they should enter into treaties and agreements, either bilaterally or collectively, to ensure that each country gets its due share of these shared resources. Consistently adhering to international law and the applicable international declarations and instruments is another goal, ending the land and maritime border delimitation dispute between these nations.

Compliance with ethical standards

Disclosure of conflict of interest

No conflict of interest to be disclosed.

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