

# Marking anniversary of oil discovery in Iran

## Iran's black gold from discovery to export



The painting captures the moment oil gushed from the ground at Masjed Soleyman, Khuzestan Province, southwestern Iran, on May 26, 1908.

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The photo shows the site of Well No. 1 in Masjed Soleyman, Iran, with a sign marking its completion on May 26, 1908. The plaque notes a depth of 1,179 feet and a production of 8,000 barrels per day.

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A wooden oil derrick rises above Well No. 12, surrounded by clusters of canvas tents where British workers lived and worked in Masjed Soleyman's early oil fields.

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### PERSPECTIVE

Every year on May 26, Iran marks a pivotal day that kicked off a new chapter in its economy — the discovery of black gold.

At the dawn of the 20th century, while Iran was caught up in geopolitical isolation and the erosion of its ancient civilization, the first spark of awakening broke out deep beneath the earth. On May 28, 1901, William Knox D'Arcy, an ambitious English businessman, struck a deal with the Qajar court, securing exclusive rights to explore and exploit oil across a vast swath of Iranian soil. This contract was not merely an economic agreement but the starting point of one of the Middle East's greatest geopolitical shifts — where politics, technology, economy, and colonial ambitions all came into play simultaneously. D'Arcy dreamed of uncovering black gold, but realizing this dream required more than capital; It demanded someone who could tap into the silent language of the earth. Thus, George Bernard Reynolds, an experienced geologist and engineer, was tasked with exploration and drilling in Iran. Familiar with harsh and rugged lands, he was sent to Khuzestan — a quiet land with scorching winds, tired soil, and a secret thousands of years old.

In the harsh winter of 1907, drilling operations got underway in Masjed Soleyman. The earth played hard to get with the drill bits, seemingly unwilling to reveal its secrets easily. Repeatedly, drilling came up empty, hopes slowly faded away, and investors grew discouraged. D'Arcy ordered a halt to operations, but Reynolds, relying on his expertise and the

local workforce in the Zagros Mountains, stood his ground and pressed on.

At dawn on May 26, 1908, well number one at a depth of 360 meters suddenly blew out. Oil surged like a pulsing blood vein from the earth to the sky. That moment marked not just the birth of an industry but the dawn of a new era in Iran and the region. Masjed Soleyman, once an unknown and silent city, turned into a bubbling energy hub, its name etched into Middle Eastern history.

Black gold swiftly moved beyond a mere economic commodity to become a strategic tool for Iran. Global powers set their sights on this land, which, influenced by oil developments and state modernization, had even changed its name from "Persia" to "Iran". Before nationalization, Iranian oil was under foreign company control, fueling Western industrial machines and fanning the flames of imperial ambitions. From this well, not only oil but a new order in international relations emerged.

#### Oil's footprint in ancient Iranian history

The earliest signs of oil in Iran date back to antiquity. According to limited studies, as far back as the Sumerian period (5,000 to 6,000 years ago) in ancient Susa, bitumen was used as mortar between stones and bricks in buildings and to waterproof ships and pottery. The Avesta mentions the word "oil" as mineral oil, indicating the term's ancient roots in Iranian history. Some historical sources note that during the Achaemenid era, oil was used for lighting and medicinal purposes.

The great Greek historian Herodotus wrote: "About 22 kilometers from Susa, there are wells

where oil, bitumen, and salt are drawn up by a wheel and stored in tanks. After some time, bitumen and salt settle, and oil remains liquid." He also reported the use of bitumen in battles between the Achaemenids and Greeks.

In the 14th century, Ibn Battuta mentioned oil and bitumen in his travelogue, referring to regions in Mesopotamia and southwestern Iran.

#### Foreign involvement despite ancient roots

In the 19th century, English geologist William Kennett Loftus, the first explorer of the ancient site of Susa, picked up on the presence of oil in southwestern Iran, opening the door for Westerners to seek concessions from the Qajar kings.

In the late 19th century, a French delegation led by De Morgan was sent to Chia Sorkh near Kerman-shah. Their report, published in a French magazine, put the spotlight on Iranian oil and paved the way for D'Arcy's team and the subsequent contract.

The first exploration team, led by engineer Reynolds from the Indian Public Works Department, was dispatched to Chia Sorkh. Although drilling continued over 259,000 hectares until November 1904 and two wells produced oil, the quantity was insufficient, and the distance to the Persian Gulf coast made transport problematic. Consequently, D'Arcy decided to pull out of Chia Sorkh and focus on exploration in the south.

#### Drilling sound that shook up Iran's history

At the start of the 20th century, in 1905, D'Arcy's group began drilling in Mamatin, Khuzestan, a site recommended by geologists.

Reynolds personally arrived with about 20 British and Canadian drillers. Despite wells reaching depths of 661 and 591 meters, no oil was found. In 1907, Reynolds' team shifted gears and started drilling at the Naftun field.

By late 1907, the Indian government sent a small force of soldiers from the 18th Bengal Lancers, commanded by Arnold Wilson, to support the drillers until oil was found or operations ceased. In 1908, the Burma Oil Company inspected the area and reported that continuing exploration was futile. By the end of April, Reynolds received a telegram from London ordering a halt to operations and the dismissal of staff.

#### Oil flows from Khuzestan's parched soil

Believing in oil's presence at Masjed Soleyman, Reynolds decided to turn a blind eye to the telegram, refusing to dismantle the rigs until a written order arrived. But before the official notice came from Burma Oil, the drilling sound struck a chord in history. Early on May 26, 1908, well number one at Masjed Soleyman burst forth with a 15-meter oil gusher at 360 meters depth, marking one of modern history's greatest events.

Reynolds' first move was to round up the oil that was spilling wastefully. He dug a large pit about 60 meters from the camp to channel the oil and then began installing valves on the well.

According to Samson, the project's geologist, well number one struck oil at 1,179 feet depth. Ten days later, well two erupted at 307 meters, firmly establishing Masjed Soleyman as the cradle of Middle Eastern oil. Over time, oil fields were discovered in Haftkel, Naft Sefid, Aghajari, Pazanan,

Gachsaran, and Lali, heralding the start of Iran's industrial age.

#### Birth of oil industry

From that auspicious day, Iran's oil industry took off, spawning specialized sectors in the extraction, development, production, transportation, and distribution of oil and gas. Since then, experts and explorers in hydrocarbon discovery have carried out their work with unique technical and engineering knowledge in geology, geophysics, petroleum engineering, and risky exploratory drilling. As the upstream mother industry, they have driven forward extraction, production, and distribution.

Iran's oil explorers and the National Iranian Oil Company's exploration management have, since inception, uncovered over 200 billion barrels of proven crude oil reserves and vast gas reserves, playing a crucial role in the country's economic and industrial development.

Today, while global discoveries of large hydrocarbon reserves have dwindled and new finds are more complex despite advanced techniques, Iran is no exception. However, massive conventional and unconventional oil and gas reserves exist in deeper horizons and complex reservoirs. Thanks to the dedicated efforts of exploration teams, ongoing studies and geophysical data processing are pinpointing new discoveries that will soon come onstream.

Iran's discovered oil now powers many world markets, overcoming all challenges to keep the wheels turning of industrial nations and holding a significant place in the global energy landscape.

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Workers assemble heavy metal pipes under the sun, bolting together sections of the historic Masjed Soleyman-Abadan oil pipeline.

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