



Khan: New techniques needed for oil production

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With a large number of TT's oil-producing fields nearing the end of their lifespan, Energy Minister Franklin Khan has said new exploration techniques have to be employed to boost oil production both onshore and in the Gulf of Paria.

“Oil and gas exploration is a complex science. These oilfields are old – when I say old, I mean very old. We have been producing oil for over 100 years. Most of these fields – the Palo Seco field, the Fyzabad field, the Forest Reserve field, Point Fortin central, FC, FW – they were all discovered in the 1910s, 20s and 30s. Cumulatively they have produced a billion and half barrels of oil. But they are coming to the end of their lives.”

He said new oil and gas must be found onshore, “possibly Trinmar, in the Gulf of Paria.” The entire energy sector had migrated to the north and east coast of TT: “They have left us behind.” Exploration must now come up with new ideas and concepts for the to search for new oilfields, he said.

Khan was speaking at the launch of Heritage Petroleum Company Ltd's corporate social responsibility (CSR), at its Santa Flora

Administration building yesterday. He said the future of the state oil sector “lies virtually” in the hands of Heritage Petroleum, which currently produces between 37,500 and 38,000 barrels of oil a day.

With members of the company’s fenceline communities in the audience, Khan said a major factor affecting production is the theft of equipment from its pumping jacks.

“One of Heritage’s major challenges as we speak is theft. When bandits or thieves or wherever they come from, they come into your community and they thief the motors from your pumping jacks, you lose production.

“Heritage survives on one thing and one thing only: the sale of crude oil. Without the sale of crude oil, it has nothing, absolutely no other source of income. So if you humbug the sale of crude, you hitting at the heart of the company.”

He said the community, as in the days of Petrotrin, had to be the “watchdogs” for Heritage and ensure that the company’s production is not needlessly interrupted.

On Heritage’s corporate social responsibility, he said while it is not in a position to provide water, electricity, road infrastructure or medical services, it would “empower” people for the jobs of the 21st century. “It will largely focus on training, on empowering the young people of these communities to take up the challenging jobs of the 21st century.

“The future is not in handouts, your future is in empowerment.” During the question-and answer-session, Khan clarified the differences between Heritage and Guaracara refining, which inherited the refining assets formerly owned by Petrotrin. “Heritage reports to

Trinidad Petroleum Holdings. Heritage actually has no strong relationship with Guaracara. Guaracara is a refining assets. "The exploration/production oil assets are invested with Heritage. The non-petroleum – which is the bungalows, the clubs, threw grounds – has stayed with legacy Petrotrin.

"We have a cabinet committee looking at that, which is the most effective way to dispose of it, if at all." He also said a meeting with Unipet and the Petroleum Dealers Association is scheduled for next week to discuss their concerns, saying the ministries of both energy and finance are "crunching some numbers to see if there is some veracity in their claim for an increased margin." "When that can happen, and an analysis has been completed, we will communicate with them firmly and update them as to the government's position." He said the CNG situation was also being addressed and there was some basis for concern over the high cost of electricity used to fill CNG tanks.