COASTAL PERU


OKC, 1972, Annual report to stockholders: OKC Corp., in Sawyer colln.


———, 1972, Activity map of Ecuador, Scale 1:1,000,000 (December 1972).


———, 1949, see A.A.P.G., 1949 (v. 33, no. 6), p. 1062.


PART VIII. PERU

C. 65. Coastal Peru

Northern coastal Peru (Fig. 17-12) is the site of South America's oldest oil production (see Chap. 9.29), and the onshore fields of the district still (in 1971) account for 60 percent of Peru's total daily production of 64,000 barrels. Recently discovered fields just offshore from the old onshore district produce another 36 percent. The remaining 4 percent of Peru's production comes from east of the Andes, but that proportion will increase.

International Petroleum Company.—International Petroleum Company, a Canadian corporation and subsidiary of Jersey Standard's affiliate, Imperial Oil Limited, began operating the La Brea-Pañías Estate in 1914 under lease from London and Pacific Petroleum Company. International produced oil from the Estate under agreements made in 1922 with the Peruvian government for a specific annual tax which was to run for 50 years (until 1972), and an export tax fixed for a period of 20 years (Larson, Knowlton, and Popple, 1971). On February 28, 1924, International purchased the La Brea y Pañías property from London and Pacific. The purchase price included liquidation of certain claims from the previous owners, Keswick and Tweddle (Sawyer and Ruegg, 1968).

Production in 1927 averaged 21,300 barrels daily and continued to increase to 29,600 barrels daily in 1929. Exploratory work continued until 1931 when it ceased, owing to the world oversupply of crude—a fact which made the less attractive concession areas uneconomic. In the period 1931-1932, production averaged 21,000 and 20,900, barrels per day, respectively, from the La Brea and Pañías property—the lowest average in many a year (Larson, Knowlton, and Popple, 1971, 1153