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### *World Oil and Gas Production in the Next Decade*

by Neil E. Foreman, Petroconsultants, Inc.

Forecasts for each of the world's 100 significant producing nations, now in the final stages of completion, indicate that worldwide output of both crude oil and natural gas will rise appreciably over the period 1996-2005. Both onshore and offshore sectors are evaluated using full-cycle resource analysis and supply/demand balances plus a wide variety of geological, economic, political, and other criteria. Oil and gas are separately assessed according to their distinctive market and supply conditions. Estimated import and export levels for each producing country indicate future global trade patterns.

World oil production, which has been recovering since 1984, will move to new record heights by 2005. These gains will be led by the Middle East, whose incremental production costs still lie far below most other regions'. Africa and Latin America will likewise surge to new record outputs, and Eastern Europe will recover strongly to finish third among the world's regions.

deprive many major consuming nations of control over much of their oil.

Global gas production, which, likewise, is forecast to reach record levels by 2005, will exhibit a more evenly distributed growth pattern. Though Eastern Europe, whose vast reserves dwarf other regions', will lead the pack, every region will share strongly in the growth, and no region will end the period in long-term decline. Propelled largely by environmental advantages, gas usage will exceed oil's overall annual average growth and gain market share at the expense of both oil and coal. As with oil, however, each of the three dominant market zones for gas—North America, Europe, and the Far East/Australasia—will become more dependent upon foreign supplies; for demand will outstrip deliverability additions within those regions.

Several areas will benefit from the world's seemingly endless thirst for more hydrocarbons. Among the emerging hot spots

North Sea, West Africa's Niger Delta Basin, Tarim and Junggar Basins of China, offshore Sakhalin, southern part of the South China Sea, Northwest Shelf and Timor Gap areas off Australia, and Ghadames Basin of Algeria. When international sanctions end, Libya, Iran, and Iraq will also see major rejuvenation of activity.

#### Biographical Sketch



**Neil Foreman** is now manager of forecasting for Petroconsultants, Inc. in Houston. Prior to joining Petroconsultants, he

spent 22 years with Conoco in Ponca City