ASIA PACIFIC HYDROCARBON RESOURCES IN A GLOBAL CONTEXT

The Asia Pacific region has long been recognised as a petroliferous one and discoveries had been made in about eight countries across the region prior to 1900. During the 1970s and 1980s, led by oil, production rose substantially from only about 3% of world output to a point today where the region produces about 10% of global oil and gas production (and a world-dominating 60% of LNG production).

Today, oil has started its decline while gas is continuing to claim a rising share of world production. While remaining discovered reserves of gas in the region are about 11% of world gas reserves (comparable to the share of production), oil reserves, however, are considerably lower at only about 5% of world reserves. With projected significant increases in demand across the region, what is the scope for future hydrocarbon resources?

There are several components to the future hydrocarbon resource and while there is reasonable agreement on the magnitude of the discovered reserves, there is considerable disagreement about the more poorly defined resources. In general, however, the view is that the undiscovered resource will continue to be weighted towards gas and continue to be a relatively small component of the global resource. Nonconventional hydrocarbon resources may, however, be more significant.

Although the region has little in the way of tar sands, oil shale resources, notably in Australia and China, form a significant fraction of the global resource. Coal bed methane may also be important and the Asia Pacific region may be second only to North America in its resource potential. While the region is understandably lacking in Arctic hydrates, if the deepsea hydrate potential is ever realised, the gas resource potential of the region could be substantial.