

Moonilal on declining oil production: Urgent action needed

■ **Khamarie Rodriguez**

MINISTER of Energy Dr Roodal Moonilal says local oil and gas production has been in decline for the past ten years, but oil production is projected to increase over the next three.

Moonilal was speaking at the Society of Petroleum Engineers (SPETT)'s 2025 Mature Basin Energy Symposium at Cara Hotels in Claxton Bay which he attended Tuesday.

Delivering the feature address, Moonilal said that drilling programmes within the country needed to be accelerated. On land, he said exploration is being undertaken in six blocks with licences at this time acquiring and processing seismic data. Initial feedback he said, has been positive. But onshore production which in 2015 amounted to 22,616 barrels of oil per day, had declined to 18,005 in 2020 and slipped further to 17,000 barrels per day this year, he stated. Much of this decline he attributed to the Heritage Petroleum Company Ltd, which he said accounts for the majority of decline over the last five years. 'This decline will continue unless urgent action is taken. Heritage, which has the largest onshore acreage, accounts for the majority of the decline in onshore oil production over the last five years. 'Notably, in 2015 the onshore production from then-Petrotrin stood at 21,387 barrels per day. In 2020, under Heritage, onshore production decreased to 10,264 barrels per day and experienced a further decline to 9,667 barrels per day in 2025. Whereas its lease operators, enhanced production service contractors and farmout operators achieved a marginal increase in oil production over the same period,' he said.

He said Heritage needs to make better use of its acreage and that a policy being considered was a reassessment of how it partners with lease operators and farmout companies.

Targeting of deeper horizons in its land acreage, has been proposed by the company to improve its oil production, he said. This was not previously possible as Heritage did not have rights for its Cruze Horizon Block, Guapo Oropouche Brighton Horizon Block, Herrera Horizon Block and Mayaro/Guayaguayare Horizon Block, he said.

He said through ministry negotiations the licences of Heritage for these blocks are being amended to include the company's rights to deeper horizons.

And in return, he said, Heritage has committed to the drilling of one exploration well in each of the blocks ranging in depth from 5,500 feet true vertical depth to 13,500 feet true vertical depth over the next three years.

'The targeting by Heritage of the deeper horizons will resuscitate oil exploration on land and with success would open a new chapter in onshore oil exploration. This will encourage onshore operators in newly licensed acreage, as well as already licensed areas, to drill deeper targets to optimize the basin's potential,' he said.

Moonilal said in 2015, the former Petrotrin's offshore production was 21,468 barrels of oil per day.

However, he said, Heritage's offshore oil production had followed the same trend as its onshore production, declining to 17,690 barrels a day in 2020 and then to 17,226 barrels a day this year. Heritage's new Board of Directors will be mandated to develop a strategy for increasing oil production, he said.

Like oil, natural gas production has also been on the decline since 2015. In that year, he said, 3.8 billion cubic feet of gas was produced compared to 2.54 billion cubic feet per day currently.

This was unacceptable, he stated. Moonilal noted a number of projects including bpTT's Cypre Phase 1 development which he said came onstream with a peak production of 350 million standard cubic feet per day and the delivery of first gas in May from the Mento field, a joint-venture between bpTT and EOG Resources.

While these are welcomed, he said, they will likely be combating natural decline from maturing reservoirs. Moonilal said the outlook for oil in the short to medium term is positive.

'There are a number of gas fields coming onstream in the near term that are rich in condensate. The Mento development, the joint venture between EOG and BPTT, which delivered first gas on May 29, 2025, is projected to reach liquid peak production at a rate of 8,200 barrels per day. Crude oil produced by Perenco from redrill workovers in the Poui field is expected to add 2,900 barrels of oil per day to the base production in early 2026,' he said.