

## Moonilal mum on reports of ExxonMobil return

ENERGY MINISTER Dr Roodal Moonilal yesterday remained mum on reports that the Government has agreed to award US oil major ExxonMobil exploration rights in an ultra-deepwater area comprising seven blocks, as reported by Reuters.

The agreement, which Reuters said could be signed as early as next week, would mark ExxonMobil's return to Trinidadian waters after a 20-year absence.

According to Reuters, the parties began negotiations earlier this year for the areas off the east coast of Trinidad. The blocks are located northwest of ExxonMobil's prolific Stabroek block in Guyana, where the consortium it leads has confirmed more than 11 billion barrels of recoverable resources.

Reuters said the area to be awarded to ExxonMobil is an amalgamation of seven blocks, and has been renamed Ultra Deep 1 or UD(1). The area covers water depths of 2,000 to 3,000 metres, Reuters said.

'We will not comment on third party sources, but we routinely look at opportunities to optimise our advantaged portfolio,' an ExxonMobil spokesperson told Reuters.

'Ultra-deep Trinidad and Tobago could unlock potential similar to ExxonMobil's Stabroek block,' according to a 2024 study by Houston-based energy data analytics firm TGS. In Guyana, Exxon-Mobil and partners Chevron and CNOOC are about to begin production at their fourth floating facility, which will expand its capacity beyond 900,000 barrels per day (bpd), less than six years after beginning oil production in the South American country. The group plans to produce up to 1.7 million bpd by 2030.

During a press briefing last week, ExxonMobil CEO Darren Woods said exploration is part of a threepronged approach to ensure that the company continuously replaces the oil and gas it produces.

'We're continuing to have a very consistent and focused effort on finding more resources that will be economically advantaged and competitive in our portfolio,' Woods said.

ExxonMobil has agreed to a signing bonus and a three-phase exploration programme in Trinidad that includes the acquisition of seismic data and drilling of exploration wells, according to Reuters.

If oil or gas is found, the agreement also includes royalty payments and a share of the profits to the Government, along with a provision for cost recovery, Reuters stated.

ExxonMobil first approached the Government in November with interest in the seven blocks.

This country is currently in the middle of a deepwater auction that has been extended to close on September 17 and excludes the areas ExxonMobil is interested in.

According to this country's laws, the Government can individually negotiate areas for exploration and production if they are not included in a competitive bidding round.

T& T has been trying to rejuvenate investment, especially offshore, where more gas output is needed to support the nation's liquefied natural gas and petrochemical industries. But it is also hoping to find oil in its deep waters.