Potential of Tight Gas in Pakistan: Productive, Economic and Policy Aspects

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Tight gas has been defined as “Natural gas produced from a tight formation, one that will not give up its gas readily or in large volumes. Tight Gas - as known popularly, constitute a huge resource potential contained in the poor quality reservoirs. The only parameter which classifies a reservoir to be tight (according to literature) is its permeability below or equal to 0.01mD. With the advent of new technologies which has greatly advanced the exploration, drilling & completion, reservoir engineering and exploitation of tight gas coupled with low cost factors, & higher gas prices has lead to augmented interest in tight gas as favored alternative or complementary resource globally, in general and in Pakistan in particular. The production of tight gas is more costly and therefore less attractive to producers owing to the need for fracturing. acidizing. and other expensive treatments to free the gas from the relatively impermeable formations. In view of these constraints, such gas has to be given an incentive price higher than the price of conventional gas. Pakistan can produce a sizeable quantity of gas from tight gas reservoirs to improve power generation. According to rough estimates, Pakistan has approximately 40 trillion cubic feet (TCF) reservoirs of tight gas. This paper has analyzed productive and economic aspects of tight gas coupled with policy aspects.