

THE TOIL FOR OIL - A GLOBAL SCENARIO

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Hydrocarbons are the hottest commodity in the present day industrialized world. After the Drake's well drilled in USA in 1859, which inadvertently is taken as the pioneer oil well, though it did start of the modern petroleum industry, the world has never been as before. Since the recorded oil production of 30 barrels/day from Drake's shallow well of only 69.5m, the well depths have now increased to several kilometers, and the production to hundreds of thousand of barrels per day from a single well in certain regions. The exploratory efforts are now being diverted to offshore areas where it is said that future supplies could be found. The one and a half century long story of oil is not only full of international intrigues but of perseverance, innovations, hopes and disappointments and above all the greater role played by the lady luck. USA initially dominated the oil scene, due to rapid growth of its reserves, up to the end of the 19th century, but then Europe also emerged to share the exploits because of their technological and political monopoly. But with the discovery of first gusher in Middle East at Masjid-e-Sulaiman, Persia (Iran) in 1908 the scenario has changed. However, the domination is still continuing but in a different manner altogether. The industrialized countries, including those in North America, Western Europe and Australia contain less than 5 per cent of the global oil reserves of more than one trillion barrels (2001), while the rest of the world constituting the underdeveloped and the developing countries hold right to the remaining 95 percent. It was in the late nineteenth century that the oil was discovered in Russia and Indonesia, at the beginning of the twentieth century in Middle East and South America, whereas the gushers of the Persian Gulf countries were discovered in and around thirties. Despite the oil revenues earned over a period of around 100 years or more, the development in these regions is still pathetic. As per latest estimates about 1.2 billion people in the world survive at an income of less than one dollar per day and most of them live in Asia and Latin America. Whereas, Asia in particular contains 75 per cent of oil and 78 per cent of the world's gas reserves. The Asian reserves are, however, concentrated in the Middle Eastern countries, around the Persian Gulf, where 65 percent of the world's known oil reserves are located.

The paper attempts to trace the worldwide history of oil exploration, the distribution of world reserves and their growth, production trends, consumption and resulting pollution, and the historical price fluctuations. Latest estimates of remaining reserves and the future trends as predicted by oil experts would also be shared.