

'Rising gap between supply and demand of oil, gas to be a big challenge'

RECORDER REPORT

KARACHI: The increasing gap between supply and demand of oil and gas in the country would be a big challenge in the years to come. These views were expressed by Moin Raza Khan, General Manager (Exploration), Pakistan Petroleum Limited (PPL) while speaking on the topic "Energy Potential and Meeting the Challenge of Energy Gap in Pakistan" at Pakistan Institute of International Affairs (PIIA) here on Thursday.

He said that the production of oil and gas is declining while the demand is on increase in the country. "In the next few years, this gas will increase and it would be a big challenge for us to address", he added.

He pointed out that there are huge untapped oil and gas reserves in the country. "We should increase our exploration and drilling activities to explore more oil and gas to meet our demand", he said.

However, he said it is very expensive as the success chances are very low. He said that the success chances in the onshore drilling activities are 20 percent and the failure chances are 80 percent while in the offshore drilling activities, the success chances are only 10 percent and the failure chances are 90 percent.

About the history of exploration activities in Pakistan, he pointed out that the first exploration well was drilled in 1866 in Kundal. "We are old in exploration activities, but now we are still so far", he added.

The gas from Sui was explored in 1952 and after completion of infrastructure; the gas supply to Karachi was started in 1955, just in three years after its exploration. "We had the best gas infrastructure at that time but we did not capitalised our potential", he said.

He pointed out that the success rate of the drilling in Pakistan was very good with 245 discoveries out of 717 wells drilled.

Regarding energy mix, he said, the share of gas in energy mix is 45.4 percent, oil 34.9 percent, coal 6.1 percent, hydel 12.3 percent and nuclear 1.3 percent.

He also talked about the wastage of natural resources and said that use of CNG in transport was not good idea. "We consume 3,000mcf/d gas in transport that could be saved for other consumers", he said.

"We should also focus on alternate resources including tight gas, shale gas, coal bed methane, deep gas, methane hydrates and tar sands and oil shale", he said.

He said Pakistan has huge coal reserves that can be used for power generation.

He said the era of cheap oil and gas is over. He suggested that all the stakeholders will have to come forward and join hands to make the country self efficient in oil and gas.



KARACHI: Moin R Khan, Chairman, Pakistan Association of Petroleum Geo Scientists and General Manager Exploration, Pakistan Petroleum Limited, speaking on 'Energy Potential and Meeting the Challenge of Energy Gap in Pakistan' organised by the Pakistan Institute of International Affairs in the library of the Institute here on Thursday.—Recorder photo