

## **UK Oil Production Lowest For 28 Years**

Posted by Chris Vernon on November 5, 2006 - 12:34pm in The Oil Drum: Europe

Topic: Supply/Production

Tags: imports, north sea, oil, united kingdom [list all tags]

More data from the DTI. On 26th Oct '06 the DTI updated their monthly oil statistics. The Excel spreadsheet is available here: Excel link. Hat tip Nick Rouse for bringing this to my attention.

The key quote is:

Oil production in the period June 2006 to August 2006 was 12.1 per cent lower than a year ago.

This isn't good news and perhaps we are becoming weary of such announcements however there is a little more we can say about these recent numbers...

Whilst we're looking at the North Sea we should also mention the strike announced this evening. From Reuters (Tue Oct 31, 2006 6:57 PM GMT):

More than 900 deep-sea divers working in the North Sea oil and gas industry will begin a strike over pay from midnight on Tuesday, a union said.

Steve Todd, secretary of the National Union of Rail, Maritime & Transport Workers (RMT) said an indefinite strike could significantly disrupt North Sea oil and gas output.

This represents the vast majority of divers operating in the North Sea and whilst diving activity scales down in winter months the diving that does take place is likely critical with this strike having the potential to force closures, probably on health and safety grounds. We'll have to wait and see what impact this has. Does anyone have any more information on this strike?

The DTI document lists August 2006 indigenous production of oil as 4.730 million tonnes along with million tones of NGL 0.483 million tonnes of NGL. Using the DTI conversion figures of 1 tonne = 7.5 bbls for crude oil and 1 tonne = 11.5 bbls for NGL this comes out as a mere 1.323 million barrels/day.

According to UK oil production data from the DTI provided <u>here</u> the August production looks to be the lowest for 28 years, lower even than in the months following the <u>Piper Alpha</u> explosion.

Imports are also listed. For August the UK net imports after subtracting exports were a total of 1.682 million tonnes of oil, NGL, process oils and petroleum products. This comes out as approximately 0.42 million barrels/day.

The Government's **Energy Review** of July 2006 suggested the UK would not be a net importer until 2010.

Buzzard (pdf) is the only major new field to come on line with a capacity of 0.2 million barrels per

The Oil Drum: Europe | UK Oil Production Lowest For 28 Yeattp://europe.theoildrum.com/story/2006/10/31/15295/970 day at the end of this year. This will not even cover half the current net imports let alone make for further falls from existing fields.

<u>Cry Wolf</u> covered UK production and DTI production forecasts in more detail last month in his excellent article <u>Lies</u>, <u>Damned Lies and Government Oil Production Forecasts?</u> This latest information only supports the doubts expressed there about future UK production.

Someone's going to be sorely disappointed with North Sea performance as the decade comes to a close.

This work is licensed under a <u>Creative Commons Attribution-Share Alike</u> 3.0 United States License.