

Guyana continues to make waves in its oil discoveries and production drawing countries around the world

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The small South American country of only 800,000 people, as there are more Guyanese living outside of Guyana than inside of Guyana, is now known amongst the other leading oil producing countries. India is also eyeing Guyana, as Guyana's oil explorations continue with new discoveries. Guyana oil is drawing people from the surroundings. Although in the Guyana gold mining industry drew many Brazilians to Guyana, now there workers coming from places like Columbia, Venezuela and Cuba. There are some set backs, where Guyana is in the top ten countries in the world for crimes and thus many Guyanese are still hesitant about going back to live or to even visit Guyana, knowing that one of the main reasons many had left Guyana was because of the high crime rate. Also the government had rushed in it's oil commitment with ExxonMobil and thus from the very beginning, there have been concerns on what would happen if there's an oil spill in the ocean who would cover the cost. It's well know in the Latin America / Caribbean region that there was an explosion in 2010 that caused a massive oil and gas spill flowing throughout the Gulf of Mexico that cost BP \$69 billion. Now, that's a lot of money that any company would want to dodge. And thus Exxon was successful at dodging all costs due to its crooked oil deal with the Guyana government who were desperate at the time to get the oil deal going which would benefit the country and its people. But the discussions on an oil spill in the Atlantic ocean which would not only destroy ocean lives but may wash up on many of the Caribbean countries including Guyana and other South American countries was always at the forefront of discussions and continued to haunt the government and its leaders.

Guyana oil is contributing to an oil boom in the Americas

In the article 'Oil Market's Latest Drag Is a Flood of Crude From the Americas' published on May 4, 2023, states 'For the first time in at least two years, the Americas will be the world's biggest driver of oil production growth' (Ref 1) and Guyana's oil production is a big part of that. In another article called 'Large Production Increases Will Come From the Americas' (Ref 2), where the internet link states 'americas not opec will lead oil production growth'. This growth also includes countries in North America, and states 'Annual oil production, millions of barrels per day for the following countries: US, Canada, Brazil, Mexico, Argentina, Guyana

The article (Ref 2) states, “The Western Hemisphere is the secure supply source the world needs in the medium term to keep oil prices from shooting through the roof,” said Schreiner Parker, the head of Latin America for Rystad Energy. “Brazil, Mexico, Guyana, Argentina and even Venezuela will see production increases this year that will help shore up supply in the face of continued OPEC cuts.” (Ref 2)

Guyana is not only known for its gold mining operations, but its oil exploration and discoveries continues to grow attracting big players from around the world as ‘ExxonMobil Confirms Fifth Oil-Production Project in Guyana (Ref 3) stating ‘The Uaru development is expected to pump 250,000 barrels of oil at peak.’

‘ExxonMobil is preparing to approve its fifth oil-production project in Guyana and may take additional exploration acreage, Alistair Routledge, head of the company’s Guyana operations, told Reuters’ (Ref 3). While India is eyeing Guyana, Japan has already made its move for Guyana. ‘ExxonMobil has submitted a development plan for the field, and an initial construction contract was awarded last fall to Japan’s MODEC. Routledge said the consortium could sanction spending on the project by April if the plan is approved by Guyana’s government’ (ref3).

Guyana oil auction

Guyana keeps changing its date for countries submitting its bid for Guyana’s oil auction. ‘The operator will consider submitting bids when Guyana holds its first competitive auction for new exploration areas...’(ref 3).

Guyana has hope. In the article ‘How Exxon captured a country without firing a shot’ Guyana is poised to become Exxon’s top global oil producer. Where the company ends and the government begins is increasingly unclear. (ref 3)

Guyana’s historical ruling in High Court

There has been a lot of talks about if an oil spill were to occur in the ocean, who would cover the costs. In the original agreement Guyana was left with covering all costs, which many around the world thought that was unfair along with the low royalties being given to Guyana.

‘Guyana’s High Court handed down a historic ruling in May against both the country’s Environmental Protection Agency and Exxon Mobil’s subsidiary in the region’ (ref3). It’s said that ‘The case was brought on behalf of two Guyanese citizens, Frederick Collins and Godfrey Whyte. They accused the EPA of failing to enforce the requirements of its own permits by never securing a guarantee from Exxon or its subsidiary, Esso Exploration and Production Guyana Limited, that the company would cover all costs related to a possible oil spill’ (ref 3). When it comes to big corp there are always excuses to cut costs. ‘That’s because Exxon’s drilling project in Guyana is the riskiest kind: deep-water offshore drilling, which involves intense pressure bearing down on complex equipment. The conditions are similar to those that preceded the Deepwater Horizon explosion in 2010, which spewed oil and gas throughout the Gulf of Mexico, costing BP

\$69 billion. Janki said the ruling should send a message to people on the ground that they have the power to oppose projects like these. “Justice Kiskooson put the rule of law above the interests of Exxon Mobil, and that’s massive,” Janki said.

Oil bonanza - India is looking for a ‘slice in the pie’

In the article, Guyana’s oil discovery, a game changer, by P Elango and published on June 14, 2023 called ‘The huge reserves in the South American nation provide a massive opportunity for Indian companies (Ref 5) says ‘there are opportunity for India.’ ‘In just five years, Guyana will join the coveted club of 20 countries that produce more than one million barrels of crude oil per day and will emerge as a major exporter of oil. This journey will involve multi-billion dollar investments in oil and gas field developments and associated infrastructure.’ ‘Major oil companies around the world are looking for a slice in that pie. Guyana’s Ministry of Natural Resources announced its first international bidding round. This boom in oil production will trigger all around economic development over the next decade. This is a great opportunity for Indian companies both in public and private sector to tap’ (ref 5).

Guyana’s future

Even with all of it’s oil discoveries, Guyana is still one of the poorest countries in the world. And with the New World Order and the ‘Great Reset’ taking place, along with a cut back on carbon emission and gas vehicles bringing in electric cars, this will affect oil production all over the world, and this means that Guyana may remain one of the poorest nations in the world.

References:

Reference 1

Oil Market’s Latest Drag Is a Flood of Crude From the Americas

For the first time in at least two years, the Americas will be the world’s biggest driver of oil production growth, while OPEC cuts back; by Peter Millard, Lucia Kassai
Graphics by Dave Merrill

May 4, 2023 at 10:00 AM MDT

Reference 2

<https://www.bloomberg.com/graphics/2023-americas-not-opec-will-lead-oil-production-growth/>; Large Production Increases Will Come From the Americas

Reference 3

ExxonMobil Confirms Fifth Oil-Production Project in Guyana

The Uaru development is expected to pump 250,000 barrels of oil at peak.

March 1, 2023 Journal of Petroleum Technology

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HOW EXXON CAPTURED A COUNTRY WITHOUT FIRING A SHOT

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<https://theintercept.com/2023/06/18/guyana-exxon-mobil-oil-drilling/>

Reference 5

Guyana's oil discovery, a game changer

Updated - S June 14, 2023 at 09:06 PM. Oil bonanza. The huge reserves in the South American nation provide a massive opportunity for Indian companies by P Elango

<https://www.thehindubusinessline.com/opinion/guyanas-oil-discovery-a-game-changer/article66969433.ece>

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