

INTRODUCTION

The availability of petroleum in world markets is a paramount energy issue. The conflict between Iran and Iraq has emphasized that the supply of petroleum is far more precarious than indicated by its mere physical availability. This report summarizes and interprets available information concerning two main topics. The first topic is a review of available information concerning the geological occurrence of petroleum:

(1) What are the known reserves of petroleum and what additional petroleum resources may be added to these reserves? What is the basis for this knowledge?

Establishing the resource base is not alone sufficient to determine future production rates. In addition to reserve and resource considerations, future production rates will be determined by a combination of political, technical, and economic considerations. The second topic is a projection of future non-Communist world oil supply based on all these factors.

(2) What is a likely range of non-Communist world oil availability for the near term (1985) and the longer term (2000) and what are the geologic, economic, political, and technical factors that will determine these levels of availability?

The first chapter of the report gives a brief review of petroleum geology. The second chapter addresses estimates of world reserves and resources.

Chapter 3 discusses non-Communist world oil supply which is determined by its production and the imports and exports of the Communist countries.

Non-Communist world production is discussed first, followed by an analysis of the potential effect of the Communist countries. In Chapter 4, our analysis is compared to the projections in other studies.

Only conventional sources are treated in this report. Production from Canadian tar sands, the Orinoco belt in Venezuela, oil shale or synthetic products from biomass or coal are not included in the estimates given here.

This report does not address any foreign policy or domestic policy considerations that may arise from these forecasts.