

# BUSINESS

## A Decline in Petroleum Production by 2018? Not So, Say Trans-Orient Officials

*(Syndicated News)* In the wake of widespread media attention on the declining state of global oil production – most recently an April 2007 report regarding Swedish scientist Fredrik Robelius’s predictions of a global production peak being reached just 11 years hence – popular public opinion has taken a negative view of the petroleum industry as a whole. Many industry insiders, however, have taken a much different stance on the issue. Some experts, in fact, have flat-out called the Swedish scientist’s and other “Peak Oil” opinions wrong. According to Trans-Orient Petroleum Ltd.

(<http://transorient.com>) Executive Chairman Dr. David Bennett, this conflict is nothing more than an over-hyped difference in scientific opinion and should more accurately be called the era of “the End of Cheap Oil.”

“To date, petroleum experts and other scientists have largely focused their attention and studies on conventional oil fields throughout the world,” Bennett says. “The problem with that limited perspective is that there are oil and gas reserves that aren’t being accounted for, which have been historically ignored because of the associated cost and difficulty of accessing the reserve. But the new price environment, coupled with rapidly advancing drilling and completion technology, in making unconventional oil and gas extraction a reality.

An example of this is the tremendous success being demonstrated from fractured oil and gas shale production in the United States. The ‘end of oil’ studies being reported by the media are simply not telling the full story.”

Trans-Orient is a Canada-based oil and gas company involved in the early stages of both petroleum exploration and unconventional thinking in New Zealand. The Australasian region – and New Zealand in particular – is of particular interest because of its potentially world-class oil and gas reserve from fractured shale formations that are widespread and thickly developed in Trans-Orient’s permit acreage. These fractured shale formations share many similarities to those found in the Barnett Shale in east Texas, the Bakken Shale in Montana and others. Until recently, fractured shale formations have largely remained untapped, or extraction of oil and gas was not thought to be possible. This, says Dr. Bennett, is something that is changing quickly as technologies get more refined and the world continues to seek out unconventional petroleum resources to offset the rapidly declining conventional oil reserves.

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“What the world has on its hands right now is that most of the large conventional oil and gas accumulations have been discovered, and the output from fields is declining quickly,” states Dr. Bennett. “Many people fail to realize that technology is making production from shale formations and other unconventional reservoirs possible, and that they have the potential to yield nearly three trillion barrels of oil equivalent. That’s almost three times the current estimate of remaining crude oil. Are current conventional reserves drying up? Of course they are. Does that mean the future of petroleum production is doomed? Not at all. Not when technology and unconventional opportunities are taken into account.”

According to company officials, Trans-Orient has raised more than \$10 million from private investors for exploration plans in New Zealand

and Australasia. Trans-Orient’s main focus right now is the under-explored East Coast Basin, in New Zealand – an area that Trans-Orient’s technical team say has so far identified more than 50 untested structural leads and prospects, as well as the significant unconventional opportunity in the Waipawa Shale and Whangai fractured shale deformation which, geologically speaking, share many similar characteristics to the major success in fractured shale production now being achieved in the United States.

“We believe that our exploration effort in the East Coast is going to yield good results,” adds Dr. Bennett. “It’s a matter of pulling together the managerial expertise to do the job right, technical expertise, and of course the right project. Trans-Orient has all three, and we’re very excited to be in the position we’re in.”