

**Occidental:** Petroecuador in June 1992 approved the program submitted by Occidental Petroleum Corporation to develop its Block 15 discoveries. The company has drilled eight wells, of which six are exploratory and two step-outs. Total exploration costs to date are about \$ 70 million.

Reserves are estimated at 157 million bbl. Project investment will be about \$ 267 million to eventually produce 30,000 b/d with start-up by July 1993.

**ORYX:** continues to press exploration and development in its 100% owned Block 7 in the Oriente. Work currently focuses on Coca-Payamino, a unitized fields owned 35% by Oryx and 65% by operator Petroproduccion. It currently produces about 5,100 b/d from 100 wells. Plans call for drilling additional wells in 1993 to double output.

Recently Oryx drilled two horizontal wells in Coca-Payamino. Coca 8 flowed 5,4000 bpd from Cretaceous Hollin. Overall, plans call for drilling about 40 more wells on Block 7. Petroproduccion is considering artificial lift for the field. Oryx's latest discovery on Block 7 is the Gacela field, a few kilometers south west of Payamino. Its 1 Gacela, drilled to 10,559 ft MD 9,445 ft TVD, flowed 1,000 b/d of 25 gravity crude from a 783 ft horizontal lateral in Hollin. Testing through a downhole jet pump increased production to more than 2,500 b/d. Oryx, 2 Gacela, a horizontal stepout, drilled to 11,729 MD 9,501 TVD, flowed 1,374 bpd of 25 gravity crude from a 2,079 ft horizontal lateral in upper Hollin. Oryx's four Block 7 horizontal wells are the first successful horizontal wells drilled in Ecuador. After initial problems with 1 Gacela, Oryx has modified drilling plans and reduced well costs to about \$ 3 million/well. Oryx is reimbursed for exploration and development costs and receives a contractor service fee.

**Arco:** is isolated towards the southwest Oriente. Last April its Villano-2 on Block 10 in Pastaza flowed 2,5000 b/d of 21 gravity API. Still heavy but much less than that of Maxus and Elf. The well was drilled to 11,8000 ft, and plans called for testing other horizons. Preliminary estimate of potential reserves 179 m bbl. Arco in combination with Mobile, bid and were allocated blocks 18 and 19. But PETROECUADOR has not been able to reach an understanding and contracts are still pending.

**Elf** was authorized in July ,1992 to start exploitation of its 18 gravity crude in Sunka-Wankle fields, block 14. Recoverable reserves are estimated at 25 m bbl. Production for this year is estimate at 2,7500 bpd and could peak at around 11,000 bpd in 1993/96. The company considers that the eastern part of the block, that surrounds Tivacuno, deserves a full exploration. Development of Tivacuno would make infrastructure development in the eastern part of the block considerable cheaper.