

The most important link of the pipeline system is the 503 km. Transecuadorian pipeline that runs from the Amazon basin across the Andes to the Coast. This line has a 300,000 b/d capacity, moves Oriente oil to Esmeraldas for refinery or export. A 28 km Colombia's Trans-Andean line was built as an alternative export route after the March 1987 earthquake heavily damaged the existing pipeline. The Shushufindi-Quito 304 km line has a 7,300 bbl capacity and moves LPG from Oriente gas processing plant.

-Petroamazonas: This subsidiary was created to take over the operation of the CEPE-TEXACO field in the Amazon Basin. Today it is the most important subsidiary in terms of areas of exploration and production given the fact that it is the sole proprietor of the rights of Shushufindi and Sacha fields.

Last July, Petroamazonas produced 231,000 bpd or 72% of total output, of these 102,493 correspond to Shushufindi, 65,375 to Sacha and the difference to other fourteen fields. Last June Petroamazonas initiated the development of three small new fields: Palanda, Pindo and Anaconda, which initially produced 3,000 bpd. In order to continue as the largest production subsidiary, it would be necessary for Petroamazonas to keep up investment in Shushufindi, Sacha, while developing other small fields in the former Texaco block.

During 1991 Petroamazonas carried out a reservoir engineering study to evaluate Shushufindi's reserves recoverable with primary, secondary, and tertiary methods. This study conducted by "Scientific Software Corporation", reached a preliminary conclusion that Shushufindi holds about 3.045 billion bbl of original oil in place, of which about 44% or 1,354 billion bbl, could be recovered by primary and secondary methods. Of those reserves, about 650 million bbl have been produced. The remaining reserves could sustain production of 100,000 b/d to 2003. Eventually, Shushufindi would require the injection of CO₂, something in which PETROECUADOR has little experience. PETROECUADOR is planning to call a tender for the secondary recovery of Shushufindi. As in the case of Petroproduccion, the plans of this administration are to reduce investment in exploration of new areas and to share the cost of existing producing areas with the private sector.