

EXECUTIVE SUMMARY

INTRODUCTION

The Cusiana Field was discovered in 1988 by BP and its partners Total and Triton. With estimated recoverable reserves of 1.5 billion barrels of oil, this field doubles Colombia's recoverable oil reserves. BP estimates the cost of the first three years of development of the field at \$1 billion US.

This major development exceeds the present capacity of the Colombian petroleum service industry. To assist the Canadian petroleum sector to identify possible contract opportunities, the Canadian Government, Department of Foreign Affairs and International Trade and the Alberta Government, Economic Development and Tourism initiated a study of the Colombian oil and gas industry. The primary objectives of this study are:

- Describe specific equipment, materials and services, Canadian companies are able to supply competitively, which are required to develop the Cusiana Field.
- Provide an explanation of the procurement process including the decision makers and the financial arrangements for the development of the Cusiana Field.
- As there are several key companies involved in the development of Cusiana, what is the best marketing approach for Canadian companies.
- Identify any opportunities for Canadian companies in the projects being planned by the National Oil Company of Colombia (Ecopetrol).

Americana Incorporated was contracted to conduct the study. To gather current information, meetings were held in Colombia with the Canadian Embassy, BP Colombia, Distral, Ecopetrol, Petro-Canada International Management Services and a number of other private petroleum and service companies (see Appendix A).