

Day 3 Special Topics

Capture High Potential Untapped Resources and Build A Competitive Oil and Gas Portfolio

Collaboration for the Optimization of National Oil and Gas Potential

Collaboration among various parties is needed to ensure the sustainability of the oil and gas business during the energy transition era.

The oil and gas industry is currently facing challenges related to climate change and energy transition efforts. Therefore, efforts to optimize the potential of oil and gas resources while building a competitive portfolio become crucial.

The potential of oil and gas resources may currently lie in existing wells that have not been fully utilized or in new unexplored areas.

Discussions on these matters emerged during one of the sessions at the IPA Convention & Exhibition 2023 in Tangerang on Thursday (27/7). This session specifically addressed the topic "Capture High Potential Untapped Resources and Build a Competitive Oil and Gas Portfolio."

The discussion featured three speakers: Deputy for Exploration, Development, and Management of Working Areas of SKK Migas, Benny Lubiantara; CEO of Petronas Indonesia, Yuzaini bin Md Yusof; and Indonesia Center of Excellence for CCS/CCUS, Doddy Abdassah, who is also a professor at the Bandung Institute of Technology (ITB).

Also present as a respondent was the Founder and Advisor of the Reforminer Institute, Pri Agung Rakhmanto. Meanwhile, Triharyo Indrawan Soesilo, Advisor to the Minister of Energy and Mineral Resources of the Republic of Indonesia, served as the moderator.

The session discussed the importance of collaboration among the government, industry, and other stakeholders. Collaboration is now a necessity to ensure the sustainability of oil and gas companies during the energy transition era.

Starting the session, Benny Lubiantara stated that as an extension of the government, SKK Migas has long-term targets of producing 1 million barrels of oil per day and 12 BSCFD of gas by 2030.

To achieve these targets, Indonesia must focus on two aspects: exploration and fiscal policy. Benny remarked, "There has been no significant fiscal policy for the past 30 years," and under current terms and conditions, he added, most projects are economically unattractive.

During the same session, Yuzaini bin Md Yusof, who is also the President of IPA, mentioned that Indonesia has significant potential with 86 basins that can be further explored. However, so far, most drilled wells are located in the western part of Indonesia.

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Yuzaini emphasized that the eastern region of Indonesia has a larger volume, but it is known for its challenging geographic conditions, resulting in higher operational costs.

He highlighted the need for initiatives and support to explore more areas in eastern Indonesia, stating, "The eastern region has plenty of potential, but minimal activity."

There are indeed several approaches that can be taken to optimize oil and gas exploration in the eastern region, starting with clear and transparent policies and the implementation of technologies such as floating LNG.

Meanwhile, Doddy Abdassah presented the options his team has developed to optimize idle wells to attract investor interest. Several steps must be taken, including checking well accessibility, filtering, diagnostics, and optimization.

Responding to the panelists, Pri Agung Rakhmanto stated that Indonesia is now on the right track. Oil and gas companies in the country still view these resources as prospective.

With a sustainable and innovative approach, the oil and gas industry can continue to contribute positively to the global economy while striving to reduce negative impacts on the environment.