

[Home](#) / [Oil & Energy](#) / [Oil & Companies News](#) / [Unwrapping key players in Colombia's upstream sector](#)

Unwrapping key players in Colombia's upstream sector

in [Oil & Companies News](#) 30/08/2023



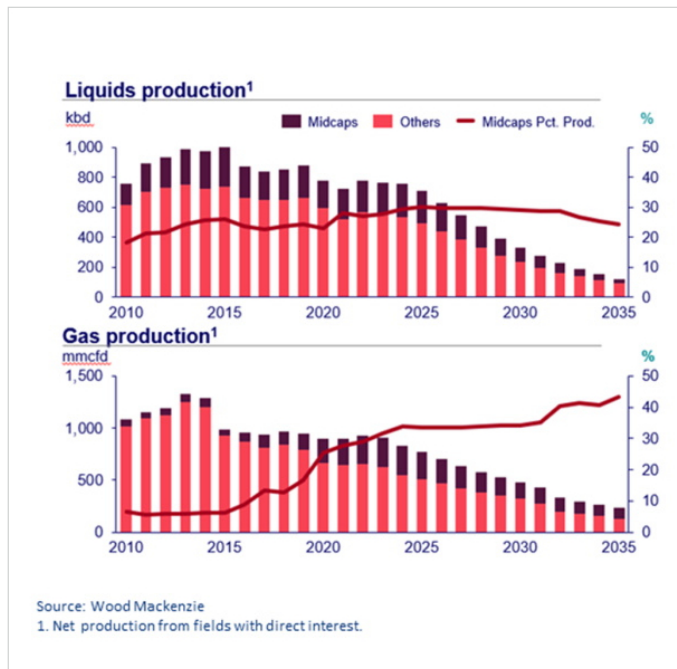
Midcaps are a major force in Colombia's upstream sector and are set to play an important role in the energy space. The country's stable regulatory environment, attractive yet complex geology, and maturing fields have prompted many companies to enter the market and grow sizeable businesses.

These midcap companies produce about a third of Colombia's current national output. And with the country's petroleum giant, [Ecopetrol](#), embracing the energy transition, midcaps are crucial to offsetting production declines.

The second in our four-part Upstream Colombia series, Small giants: Colombia's midcaps explores who these midcaps are and how they compare. Fill in the form for a complimentary extract and read on for some highlights.

Filling big shoes

Colombia's midcaps have stepped into a role that large internationals were deprioritizing. Mature fields require continuous investment in order to uphold or expand production levels and midcaps have stepped up to provide this. Development drilling has been ramping back up since the COVID-19 pandemic. New thinking and operational efficiency have seen them successfully boost production, and they have tested and implemented different methods to improve oil recovery while maintaining an attractive operational netback.



The country's midcap oil companies are not just crucial drivers of oil production, but also economic growth, regional development and industry competition. Their operations contribute to Colombia's energy security and provide opportunities for investment, innovation and job creation. Colombian midcaps are now responsible for about 28% of the country's liquids production and 31% of gas production.

Key names you need to know

Parex leads production and value within the midcaps group. The company has dedicated its efforts to enhancing water handling capacity, thereby augmenting oil production, and its capex position is enviable. Canacol stands apart as the sole enterprise with a gas-centric focus, a distinct advantage given the increasing importance of gas and the volatility of Brent prices. SierraCol derives substantial gains from an elevated operational netback, attributed to its advantageous access to transportation – a well-recognised bottleneck in Colombia.

SPONSORS



WEEKLY DRY TIME CHARTER ESTIMATES

PERCO	44 WCS		1YR		2YR	
	ATL	PAC	ATL	PAC	ATL	PAC
HANDY (dry-dock)	9,200	11,000	10,750	11,000	10,150	10,200
SMALLTANK	11,000	12,000	11,750	12,750	11,150	12,100
PANAMAX	13,000	14,250	13,000	13,250	12,500	12,500
CAPEXIDE	14,000	14,000	14,000	14,000	15,000	15,000

[Read More](#)

WEEKLY TANKER TIME CHARTER ESTIMATES

SIZE	1 YEAR		2 YEAR		3 YEAR		4 YEAR	
	ATL	PAC	ATL	PAC	ATL	PAC	ATL	PAC
HANDY	20,500	19,500	21,000	19,000	21,000	19,000	21,000	19,000
MR IMOG	24,000	23,000	24,500	24,500	24,500	21,500	24,500	21,500
LRI	32,500	32,500	32,500	32,500	32,500	29,500	32,500	29,500
LRI	42,500	38,500	42,000	38,500	42,000	39,000	42,000	39,000
AFRA (11000 dwt)	47,500	40,000	40,000	40,000	40,000	37,500	40,000	37,500
SUEZ	44,000	38,500	40,000	38,500	40,000	38,500	40,000	38,500
VLOC	44,000	42,000	42,000	42,000	50,000	47,500	50,000	47,500

[Read More](#)

WEEKLY CONTAINER INDEX

FOLLOW US



LIVE SHIPS TRAFFIC MAP

[Read More](#)

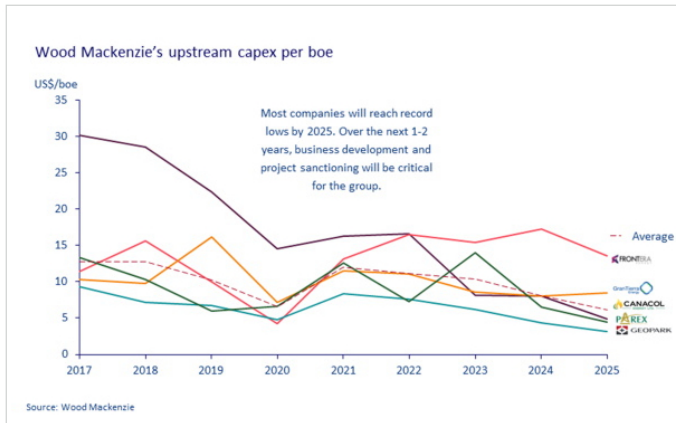
STOCK NEWS

SPONSORS



Midcap challenges on the horizon

Recent political changes affecting the oil and gas industry, such as fiscal reform, are raising doubts about the future of these companies, however. Colombia's new government has stated its intention to begin a transition to an economy less dependent on coal and oil. The country, however, still needs investment in oil and gas production for energy security and to maintain revenues from oil exports.



This site uses cookies to enhance your user experience. By continuing to use this site, you agree to our use of cookies. For more info go to our [Cookie Policy](#) [More info](#)

No problem

for activity and investment year after year. Given their pivotal role, these companies mid/long-term decisions wield a substantial impact on Colombia's economic development.

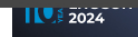
Things haven't been easy, though. High costs, including for diluent and transportation, are being compounded by maturity-driven high-water production. Consistent investment is required to slow production declines. An unattractive business environment may cool investor inclination to operate in the country. Above-ground certainty will be key to attracting investment, not only in oil and gas but also in energy transition-related projects.

Coming up in the third part of our series ...

The achievements of Colombian midcaps are testament to the effectiveness of a historically stable regulatory environment and a sector ready to incentivize companies taking development risk and innovating in the field.

However, the question arises: do the latest government restrictions, such as exploration bans, mean a curtain is closing? Could there be an opportunity to moderate regulations to accommodate the continued entry of small caps into the industry?

Source: Wood Mackenzie



Seleccionar idioma

Con la tecnología de [Google Traductor](#)



Share



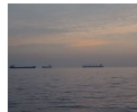
Previous: Russia's Gazprom says it swings to Q2 net loss as exports to Europe slump

Next: Chevron's Australia LNG ops could face daily 10-hr stoppages as union fight escalates

RELATED NEWS



LR appoints Eliana Papageorgiou as Vice President - Greece
 30/08/2023



Hurricane Idalia strengthens en route to Florida, expected to land as Category 4 storm
 30/08/2023



First U.S. Hybrid Inland Towboat will use a Corvus ESS
 30/08/2023

RECENT VIDEOS



What does Clean Arctic Alliance hope the IMO will achieve at MEPC80 on the issue of black carbon?
 08/08/2023



HAMBURGER HAFEN - Deutschlands Tor zur Welt | HD Doku
 08/08/2023



Why are discussions on black carbon emissions not included in IMO greenhouse gas strategy?



MEPC80: Are there any other measures to help reduce black carbon like emission control areas?

Shipping News

[Top Stories](#)
[Hellenic Shipping News](#)
[International Shipping News](#)
[Dry Bulk Market](#)
[Piracy and Security News](#)
[Shipping Emission Possible](#)
[Marine Insurance P&I Club News](#)
[Port News](#)
[Shipbuilding News](#)
[Shipping Law News](#)
[Interviews](#)
[Recent Videos](#)
[Live Piracy Map](#)
[Live Ships Worldwide Traffic Map](#)
[Real Time Marine Weather](#)
[Events and Training Courses](#)
[Sea Tourism and Yachting](#)
[Useful Links](#)
[Rss Feeds](#)
[Site Map](#)
[Mobile Applications and Social Media](#)

Commodities

[Commodity News](#)
[Chinese iron ore and steelmaking prices](#)
[Freight News](#)
[Guide for Carriage of Hazardous Materials](#)
[Ship Risk Profile Calculator](#)

World Economy

[World Economy News](#)
[IMF/OECD News](#)

Oil & Energy

[Oil & Companies News](#)
[General Energy News](#)
[Bunker Prices Worldwide](#)

Report / Analysis

[Weekly Dry Time Charter Estimates](#)
[Weekly Tanker Time Charter Estimates](#)
[Weekly Container Reports Index](#)
[Weekly Vessel Valuations Report](#)
[Daily Tanker Market Rates](#)
[Daily Bunker Report](#)
[Cheapest Bunker Port Matrix](#)
[Weekly Shipbrokers Reports](#)
[Monthly Shipbrokers Reports](#)
[Monthly Ship Auctions](#)
[Weekly Demolition Reports](#)
[Weekly Ship Sales](#)
[Weekly Shipbuilding Reports](#)
[Marine Engine Specifications](#)
[Shipping Glossary](#)

Connect with Us

[Contact us - Send your news](#)
[Cookie Policy](#)
[Privacy Policy](#)
[Subscribe to our free daily newsletter](#)

Stock Market News

[Stock News](#)
[Stock Market Snapshot](#)
[Daily Currencies Ratings](#)
[Hellenic Shipping Companies](#)
[Live Hellenic Shipping Stocks](#)
[Live International Shipping Stocks](#)
[Live Commodity Trade Markets](#)

Follow us

