

## COMMONWEALTH OF AUSTRALIA

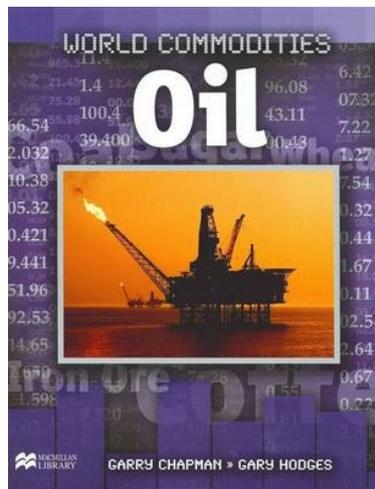
Copyright Regulations 1969

### WARNING

This material has been reproduced and communicated to you by or on behalf of Methodist Ladies' College under Part VB of the Copyright Act 1968 (the Act).

The material in this communication may be subject to copyright under the Act. Any further reproduction or communication of this material by you may be the subject of copyright protection under the Act.

**Do not remove this notice.**



Chapman, G., & Hodges, G. (2010). *Oil*. South Yarra: Macmillan Education.

# Where is oil found and where is it used?

Oil is found in vast underground reservoirs trapped between layers of rock. It is not found all over the world, only in certain places where the conditions were favourable for this fossil fuel to form.

## The Middle East

About two-thirds of the world's known oil reserves are in the Middle East. The largest oil producer in the world is Saudi Arabia. Other producers in the region include Iraq, Kuwait, Qatar and the United Arab Emirates (UAE). Underground oil reservoirs in this region are vast and easy to extract.

## Other oil-producing regions

The world's second-largest oil-producing region is North America, where oil is found in Canada, the United States and Mexico. Countries such as Russia, China, Norway and Venezuela are also major producers of oil.

### THE WORLD'S MAJOR PRODUCERS OF OIL (2008)

Country	Amount of oil produced (barrels per day)	Percentage of total world production
Saudi Arabia	11 million	13.9%
Russia	9.9 million	12.5%
United States	8.3 million	10.5%
Iran	4.2 million	5.3%
Mexico	3.8 million	4.8%

# The Organization of the Petroleum Exporting Countries

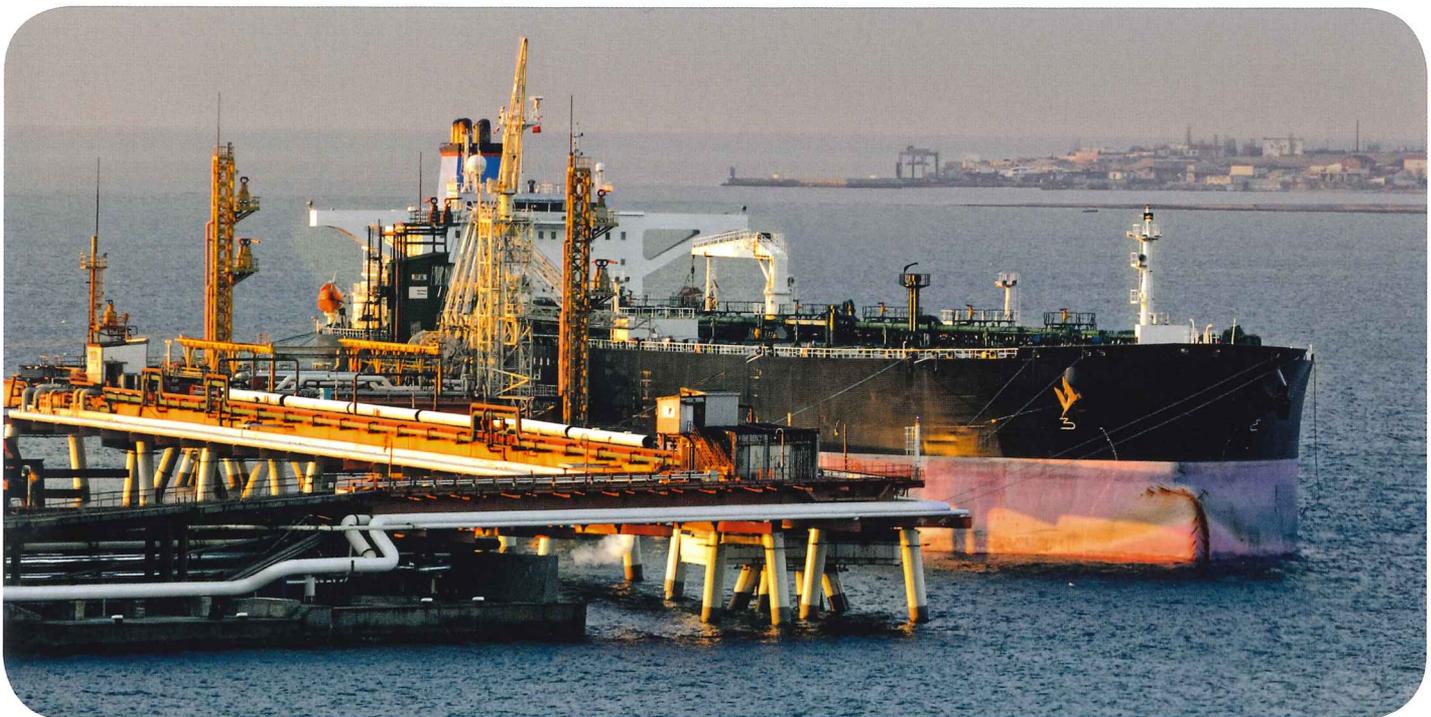
The Organization of the Petroleum Exporting Countries (OPEC) consists of 13 oil-producing countries from the Middle East, Africa and South America. OPEC coordinates its oil production activities to ensure that there is always a ready **supply** of oil available. This helps to keep prices stable and ensures that OPEC members are paid well for the oil they **export**.

## Oil consumers

The world's main oil consumers are **developed countries**, such as the United States, Japan, France and Germany. **Developing countries**, such as China and India, also need large amounts of oil to fuel their growing industries.

COMMODITY FACT!

The largest oil field in the world is Ghawar, in Saudi Arabia. It is estimated that more than half of Saudi Arabia's oil comes from Ghawar.



Large oil tankers are used to transport oil from where it is found to where it is used.

## The United States

Although the United States is a major producer of oil, it still **imports** oil from other countries for its own consumption. This is because it uses more oil than it produces. The United States, with its many industries and access to transport, is the world's largest consumer of oil.