

US oil titans flood Permian zone with armada of rigs



An oil drilling rig stands in Reeves County, Texas. Once an afterthought, the Permian Basin is now first and foremost for the biggest American oil producers, according to Bloomberg. The arid backwater of West Texas and New Mexico was a prime driver in the outsized profit reports on Friday from Exxon Mobil Corp and Chevron Corp that investors cheered. Decades after Big Oil gave up on the Permian to drill new frontiers like the North Sea and West Africa, the titans of American energy have returned in force. Exxon has already surpassed its plan to mobilise about 30 rigs in the region by year's end: The company has 38 drilling Permian wells now, a 40% increase in just six months. For Chevron, which only recently began drilling assets it controlled for more than a century, the jump in rig count was even more dramatic at 59%. In fact, Chevron is so busy in the Permian that the region now accounts for about one in every 10 barrels the company pumps worldwide. Permian gushers have been so prolific that Chevron is a year ahead of its production target in the

area, chief financial officer Pat Yarrington said during a conference call on Friday.