

CHAP 10 OIL

OPEC-Organization of Petroleum Exporting Countries

Oil Production

- OPEC produces 40% of the worlds oil supply today
- OPEC has 70% of the known oil reserves

Reason for OPEC

- *It is an inter governmental organization to coordinate and unify petroleum policies among member countries and to secure fair prices for production*

OPEC consists of 12 countries

- Venezuela
- Algeria
- Libya Nigeria
- Iraq
- Kuwait
- Quatar
- Saudi Arabia
- United Arab Emirates
- Iran
- Indonesia
- Bahrain

VOCAB WORDS

- *Oil Shock-Jolts in world economy caused by sharp increase in oil price*

- **Oil Crisis**-Known as *Energy Crisis of 1973-1981, shortage of oil*
- **Crude Oil**-Raw oil from the ground

Q: Why we need OIL?

- *Operate cars, trucks, trains, etc.*
- *Produces Electricity*
- *Bi-Product is asphalt*
- *Make plastic from it*