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VENEZUELA OIL SECTOR

Earthquake Impact Assessment

2026 Yaracuy Doublet — M7.2 / M7.5 | June 24–25, 2026

Rapid Assessment Note | Energy & Upstream | Stratis Intelligence

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GEOGRAPHY	Venezuela

EXECUTIVE SUMMARY

Seismic event: Venezuela's strongest earthquake sequence in 125+ years — M7.2 foreshock + M7.5 mainshock, 39 seconds apart, near Morón/Yumare, Yaracuy state. Depth: 10 km. Rare "doublet."

Human toll: ≥188 confirmed dead, 1,520 injured, 157 missing (National Assembly, June 25). USGS PAGER estimates 39% probability of economic losses $10bn–$100bn; upper bound ~20% of Venezuela GDP.

Oil infrastructure: Minimal direct physical damage confirmed. Orinoco Belt, Maracaibo Basin, Paraguaná CRP, Jose terminal, Puerto La Cruz refinery — all operational.

Wildcard — Pequiven Morón: Field reports and footage indicate visible structural damage at the Pequiven petrochemical complex, directly in the epicentre zone. No official PDVSA assessment published. Key watchpoint.

Foreign operators: Chevron, Eni, Repsol, and Shell all confirmed continued operations and employee safety on June 25. No production disruption reported.

Secondary risk: Post-earthquake power outages are the most credible near-term threat to production continuity. Reuters source flagged this explicitly. Orinoco Belt heavy crude is highly energy-intensive.

Medium-term: Macro-political and fiscal damage is significant. The earthquake consumes institutional bandwidth at a critical juncture for Venezuela's post-Maduro oil liberalisation programme.

1. THE EVENT — SEISMOLOGICAL CONTEXT

At 18:04 local time on June 24, 2026, a magnitude 7.2 foreshock struck near San Felipe, Yaracuy state, ~160 km west of Caracas. Thirty-nine seconds later, a magnitude 7.5 mainshock hit near Yumare — a rare seismic "doublet." Mainshock depth: 10 km. Both events occurred along the Boconó-Morón-El Pilar Fault System, the Caribbean-South American plate boundary. The M7.5 is the largest Venezuelan earthquake since 1900. Damage corridor: Yaracuy, Carabobo, Miranda, Aragua, Trujillo, Falcón, La Guaira. Simón Bolívar International Airport (Maiquetía) suspended all operations.

Foreshock magnitude	M7.2	**Mainshock magnitude**	M7.5
Interval	39 seconds	**Mainshock depth**	10 km
Fault system	Boconó-Morón-El Pilar	**Classification**	Doublet — rare bilateral rupture
Dead (confirmed)	≥188	**Injured / Missing**	1,520 / 157
USGS loss estimate (P39)	$10bn – $100bn	**GDP equivalent**	Up to 20% of Venezuela GDP
State of emergency	Declared by Rodríguez, June 24	**Airport**	Maiquetía — closed

2. GEOGRAPHIC EXPOSURE — OIL INFRASTRUCTURE VS. EPICENTRE

The critical structural insight for oil market participants is geography. Venezuela's upstream production base is concentrated in regions geographically insulated from the primary damage corridor.

Asset	Location	Distance	Status
Orinoco Belt (heavy crude)	Northeastern Venezuela	~700 km	OPERATIONAL
Maracaibo Basin	Northwestern Venezuela	~400 km	OPERATIONAL
Paraguaná Refining Centre (CRP)	Falcón state	~225 km	OPERATIONAL
Jose Export Terminal	Anzoátegui state	~650 km	OPERATIONAL

Puerto La Cruz Refinery	Anzoátegui state	~620 km	OPERATIONAL
Perla Gas Field (Cardon IV)	Offshore Falcón	~280 km	OPERATIONAL
Pequiven — Morón complex	Carabobo state	EPICENTRE ZONE	UNCONFIRMED

3. THE PEQUIVEN VARIABLE — KEY WATCHPOINT

ALERT: The Pequiven petrochemical complex at Morón, Carabobo, sits directly in the epicentre zone of the M7.5 mainshock. Field reports from Caracas Chronicles and social-media footage indicate visible structural damage to tanks with explicit fire risk warnings. No official PDVSA or government statement on Pequiven's status has been published.

The absence of disclosure is itself a risk signal consistent with PDVSA's historical pattern. Pequiven Morón produces ammonia, urea, methanol, and other petrochemical derivatives. Structural damage to storage tanks with degraded emergency response capacity could escalate into a secondary industrial incident.

Stratis Assessment: Until a formal engineering assessment confirms the Morón facility is operational, this constitutes an open material risk. Counterparties with Venezuelan petrochemical supply chain exposure should apply caution.

4. FOREIGN OPERATORS — STATUS ASSESSMENT (June 25, 2026)

CHEVRON CORPORATION
Confirmed operational

Operations	~250–260 kbpd across 3 onshore JVs (Orinoco Belt + western Venezuela). April 2026: expanded to 49% working interest in Petroindependencia via PDVSA asset swap; rights to Ayacucho 8 block secured. Growth target: 375 kbpd (+50%) within 18–24 months.
Source	Bloomberg, June 25: "Chevron Corp. said its Venezuela business remains operational and all of its employees are accounted for."
Assessment	Operational continuity intact. Production disruption risk LOW. 50% growth plan may face delay if institutional environment deteriorates post-earthquake.

ENI S.p.A.
Confirmed operational

Operations	Gas assets — Cardon IV (Perla field, co-operated with Repsol). Supplies ~50% of Venezuela's gas-fired power plant demand. ~0.5 bcf/d production.
Source	MarketScreener / Dow Jones, June 25: Eni confirmed assets remain operational.
Assessment	Operationally insulated (offshore). Key indirect risk: grid instability could reduce throughput demand. Transmission risk, not production risk.

REPSOL S.A.
Confirmed operational

Operations	Multiple JVs including Cardon IV (Perla, co-operated with Eni). Maintained continuous presence through Maduro era; positioned for expanded activity under Rodríguez liberalisation.
Source	MarketScreener / Dow Jones, June 25: Repsol confirmed assets remain operational.
Assessment	Geographic insulation equivalent to Eni. Onshore operations also outside primary damage corridor. Continuity risk LOW.

SHELL PLC
Employees accounted for

Operations	No operating upstream assets in Venezuela. Primarily commercial and trading exposure.
Source	MarketScreener / Dow Jones, June 25: Shell confirmed all employees in Venezuela are accounted for.
Assessment	No operational disruption.

EXXONMOBIL / CONOCOPHILLIPS Evaluation stage — not operating

Operations	Both expropriated under Chávez 2007 decrees. Evaluating re-entry under January 2026 legislative reform. No committed capital deployed.
Source	FTI Consulting, March 2026: executives characterised Venezuela as "a high-risk jurisdiction despite recent political changes."
Assessment	Earthquake introduces additional risk premium. Re-entry timelines — already measured in years — are unlikely to accelerate.

5. SECONDARY RISK — POWER OUTAGES AND PRODUCTION CONTINUITY

The most credible near-term threat to Venezuelan oil output is not direct physical damage to upstream assets but earthquake-triggered power outages compounding an already fragile national electricity system. Reuters reported that a source indicated prolonged outages could negatively affect oil production operations.

Extra-heavy crude production in the Orinoco Belt (API ~8–10°) requires continuous heat, diluents, and power for injection wells and surface processing. Any sustained interruption in Anzoátegui or Monagas states could force temporary well shut-ins.

Stratis Assessment: Primary watchpoint for the next 7–14 days. Grid stabilises without prolonged outages → production impact negligible. Disruptions persist → short-term dip of 50,000–150,000 bpd plausible but not our base case.

6. MACRO-POLITICAL AND INVESTMENT CLIMATE IMPLICATIONS

Fiscal absorption No fiscal buffer exists. USGS P39 losses of $10bn against ~$95bn GDP are potentially economy-scale. Oil revenues — Venezuela's near-exclusive hard currency — face a direct reconstruction claim, complicating upstream investment and debt restructuring.

Investor confidence OilPrice.com noted days before the event that beyond Chevron's established position, "few companies have committed funds." The earthquake introduces force majeure precedent and extends evaluation timelines.

US-Venezuela alignment Rodríguez publicly thanked Trump for "support and solidarity" (CNBC, June 25). Trump pledged US resources. This could accelerate sanctions relief — a medium-term scenario, not an immediate market mover.

Production trajectory Pre-earthquake: ~988,000 bpd (OPEC, March 2026). Near-term trajectory unchanged, but a 6–12 month delay risk to investment mobilisation needed to sustain growth beyond 1.0 mbd is now embedded.

7. KEY RISKS — 30-DAY WATCHLIST

Risk	Prob.	Severity	Watchpoint
Pequiven Morón — fire or secondary incident	MEDIUM	HIGH	Official engineering assessment; PDVSA disclosure
Power outage-driven output dip (50–150 kbpd)	MEDIUM	MEDIUM	National grid status; Orinoco Belt production data
Airport closure — logistics / personnel delays	HIGH (acute)	LOW–MEDIUM	Maiquetía reopening timeline
Aftershock causing additional infra damage	LOW–MEDIUM	VARIABLE	FUNVISIS / USGS aftershock monitoring

Investment delays (ExxonMobil, other IOCs)	HIGH	MEDIUM	Company announcements; JV process activity
PDVSA management distraction	HIGH	MEDIUM	Government comms; operational filings
Rodríguez government destabilisation	LOW	VERY HIGH	Political signals — Caracas and Washington

8. CONCLUSIONS

The June 24 earthquake doublet is Venezuela's most significant seismic event in over a century, striking at the worst possible moment for a country in the early stages of oil sector recovery. Immediate upstream infrastructure impact is minimal — primary producing regions were geographically insulated and Chevron, Eni, and Repsol have confirmed continued operations.

The Pequiven Morón petrochemical complex requires urgent official assessment. The information vacuum is consistent with historical PDVSA disclosure patterns — and is itself a risk indicator.

Power grid vulnerability is the most credible production continuity threat over the next 7–14 days.

The macro-political and fiscal burden of reconstruction could divert resources, delay reforms, and cool investor sentiment at a critical inflection point for Venezuela's liberalisation programme.

Venezuela's high-risk, high-optionality proposition remains intact — but the earthquake has raised the risk side in ways that will take months to fully assess.

Global oil market impact: negligible. Venezuela is <1% of world supply; current oversupply (~2 mbd surplus, EIA 2026) absorbs any hypothetical disruption.

SOURCES

Bloomberg (June 25, 2026) — Chevron statement. MarketScreener/Dow Jones (June 25, 2026) — Chevron, Eni, Repsol, Shell statements. Reuters via Caliber.Az (June 25, 2026) — Infrastructure assessment; power outage risk. CNN Business (June 25, 2026) — Economic analysis. Caracas Chronicles (June 24–25, 2026) — Field reports; Pequiven footage. CNBC (June 25, 2026) — Trump/Rodríguez statements. Al Jazeera (June 25, 2026) — Sanctions/aid analysis. Miyamoto International (June 25, 2026) — Seismological analysis. OilPrice.com (June 22, 2026) — Sector context. FTI Consulting (March 2026) — Investment landscape. USGS PAGER — Loss modelling. NPR/AP (June 25, 2026).