

Miners still tap oil despite smaller profits

Since decades ago, traditional oil mining in Wonocolo, Bojonegoro regency, East Java, has been the main source of income for thousands of residents of a number of subdistricts around the oil field. Criticism regarding various issues ranging from environmental damage, decreasing yields of oil exploitation and illegal levies, however, has surrounded their work over recent years. The Chairman of the Sons of Mountain Association (HPG), Sugiranda, said that environmental damage was unavoidable in mining activities. No wonder they have been blamed for causing damage in the 35 hectares of forest in Wonocolo, where mining is currently operating, and which belongs to state-owned forestry company Perum Perhutani.

“We have no other choice than to continue mining to earn a living,” Sugiranda said at the mining site recently. He said mining had been the main source of income for people in three subdistricts of Wonocolo, Dukuh Mayang and Kedewan and in other subdistricts in the region. Miners also claimed that the environment had already been damaged even before the working locals started their traditional mining activities in the area. Some of the miners, according to Sugiranda, were once summoned by the local legislative council for a hearing and were asked about their legal basis for conducting mining in the area.

“We knew nothing about it. What we know is that we can work, earn money and are able to send our children to school,” he said. The oil mining site, a remnant from the Dutch colonial era, is located inside the Wonocolo forest and is part of the Cepu Block. It does indeed look deforested, due to the uncontrolled logging that was done to expand the mining area. Miners, however, said they did not worry about their activities being banned, arguing that they maintained good relationships with Perhutani, state-owned oil and gas company PT Pertamina and the government apparatus.

“But, yes, we do need solutions to this problem,” Sugiranda said. Miners usually exploit the crude oil in two ways: using diesel engines modified as pulleys to pull crude oil from under the ground or using manual power. The latter is done by five men pulling out iron pipes from the oil well using cables, then pulling the pipes down the hill for 200 to 300 meters so the pipes containing crude oil are lifted up.

“Using manpower saves production costs. If we use diesel engines, we have to spend more for the fuel,” Sugiranda said. The crude oil — or *lantung* as it is locally called — is then refined by boiling it in drums for three to seven hours. The end result is ready-to-use fuel such as kerosene and diesel fuel. A drum of kerosene is usually sold for Rp 350,000 (US\$36) while diesel fuel is sold for Rp 600,000 per drum. Crude oil is priced at Rp 350 per liter. An oil well on average can produce two to three drums of diesel fuel and kerosene per day.

Until 2008, Sugiranda said, a well could produce up to 32 drums of crude oil per day. Presently, due to massive exploitation, a well can only produce a maximum of nine drums a day. “We could earn Rp 5 million per week then. Now we can only earn Rp 1 million at the maximum,” Sugiranda said, adding that of some 200 oil wells, only 50 were still productive.

Good earning, however, doesn't seem to be part of the middlemen's fortune. Sifak, one of them, said that he often had to play hide and seek with police officers in the field to avoid paying illegal levies while transporting fuel from the Wonocolo mining site to collectors. This, he said, excluded the fact that he had to go through poor road infrastructure every day to transport the fuel. To get to Wonocolo from Leran, his village, he has to traverse a rocky and hilly road for some three kilometers.

“I have to be extremely careful because the road is really bad. Otherwise I will spill the fuel,” he said. Middlemen, according to Sifak, usually sell the fuel to collectors in Tuban, Lamongan, or even Surabaya, dozens of kilometers away from Wonocolo. He himself earns between Rp 50,000 to Rp 150,000 a day from being a middleman. This accounted for why he was so irked with the illegal levies he had to pay as it significantly reduced his earnings.

“Everyday there is always some policeman who asks for levies. They threaten that they will send me to jail for selling illegal diesel fuel if I refuse to pay,” said Sifak, adding that a police individual usually asks for Rp 30,000 in levy every time he transports fuel.