

Woodside Says Sunrise Could Tie In To Conoco's Darwin Plant

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MELBOURNE -(Dow Jones)- Woodside Petroleum Ltd. (WPL.AU) said Thursday gas from the Sunrise field could be processed at the existing liquified natural gas plant in Darwin, but that a floating processing plant would be the cheapest option.

The oil and gas producer said it has also again reviewed the option of processing gas in East Timor, but that this remains expensive and technically challenging.

Woodside's Executive Vice President of Development Paul Moore said piping gas to Darwin would be the least technically challenging option.

"Tying it in to the ConocoPhillips operated Darwin LNG plant may also provide an easy route to first gas," he said at the company's annual investor briefing in Sydney.

However, Moore said pipeline costs are rising and that a floating LNG plant would offer the lowest cost solution, but would present some technical risks.

Moore said Woodside is considering five potential development options for its Browse gas project: an offshore plant on Scott Reef, an onshore plant on the Kimberley Coast, piping gas to the Burrup Peninsula, piping gas to Darwin and processing gas at a floating LNG plant.

Woodside expects to select a development option in 2008.

Investors at the briefing were also told that the total cost of the fifth processing train at the North West Shelf is expected to come in below A\$2.6 billion and that the initial cost estimate for the Vincent project is A\$1 billion.

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