

Chevron planning giant Pilbara LNG hub

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CHEVRON is seeking environmental approval to build a liquefied natural gas export hub on the Pilbara coast that would be larger than the North West Shelf LNG venture and its planned Gorgon LNG project.

In documents submitted to the federal Environment
Department, Chevron said the project is expected to start
producing 10 million tonnes of LNG per annum through two
trains from 2015 using gas sourced from its Wheatstone field off Western
Australia.

This may be expanded to a five-train operation capable of producing 25MMtpa if it can source enough of its own and third-party gas from fields outside the Greater Gorgon.

No cost estimates were given for the project, though the *Australian* quoted analysts as saying it could be similar to Gorgon, which could cost \$30 billion.

While Chevron had said previously that Wheatstone, which has estimated gas resources of about 4.5 trillion cubic feet of gas, would underpin a single train LNG project, its successful Iago-2 appraisal well in July raised the possibility of expanding the project.

The Australian quoted a Chevron spokeswoman as saying the development of the Gorgon project on Barrow Island, which is in initial engineering and design phase and for which a production date has not been released, was going ahead as planned.

She added the company has selected three potential sites for the Wheatstone project – Ashburton North, Onslow or Cape Preston – over about 100 kilometres of coastline south of the Burrup Peninsula.

Chevron is also planning to build a domestic gas plant that would produce 250 million cubic feet of gas a day, which represents 15% of LNG sales from the first train, and would increase in line with LNG sales after that.