

Woodside's North West Shelf Angel platform under budget

Matt Chambers | *October 04, 2008*

WOODSIDE Petroleum has started producing gas and oil at its \$1.6 billion offshore Angel Platform, which is part of the huge North West Shelf liquefied natural gas operation, and says it has brought in the project under budget.

Angel, 120km northwest of Karratha, has the capacity to produce about 800 million cubic feet of gas and 50,000 barrels of condensate, which is a light crude oil, daily.

The project is operated and one-sixth owned by Woodside, with the five other partners in the NWS venture all owning an equal share.

First production had been slated for the third quarter and will feed into the onshore LNG plant, which has recently had its capacity expanded to 16.3 million tonnes of LNG a year through the addition of fifth train, or processing unit.

Woodside's executive vice-president of the North West Shelf, Eve Howell, trumpeted the completion of Angel on time and under budget, a feat that has become increasingly rare in the resources sector as materials and labour have become in short supply and expensive.

A Woodside spokeswoman could not say how much under budget Angel was or what had led to the better than expected performance.

In February, Woodside chief executive Don Voelte reportedly told investors that costs had come in \$200 million below the \$1.6billion budget.

Ms Howell said: "The Angel Platform is an important addition to the North West Shelf Venture's portfolio of producing assets, with gas from this facility supporting LNG delivery to customers in the Asia-Pacific region."

Angel is the North West Shelf's third major offshore gas production platform and was built to provide gas for the 4.4million tonnes a year Train 5.

The unmanned platform, on which construction started in December 2005, is tied to the North Rankin A platform, from where it is remotely controlled, through a 50km underwater pipeline.

The other partners in the North West Shelf are BHP Billiton, BP, Chevron, Shell, and Japan Australia LNG.

The North West Shelf project is Australia's biggest resources project, costing \$25 billion.

It delivered its first LNG cargoes to Japan in 1989.