

Chevron reveals new LNG project off WA

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US energy giant Chevron says it wants to turn its massive Wheatstone gasfield 145km north-west of Karratha into a giant LNG project that analysts expect to cost more than \$10 billion.

Chevron's Australian boss Roy Krzywosinski said this morning the Wheatstone project would also provide much-needed gas for

WA's domestic market.

He would not comment on the likely costs of the project, timing of first gas or where its onshore facilities would be located, other than to say Chevron was looking at "a handful" of sites on the West Pilbara coastline.

He said studies into the technical aspects of the project would take more than a year before Chevron could give financial go-ahead to developing Wheatstone.

The project studies will focus on a pipeline linking Wheatstone, which is thought to contain 4.5 trillion cubic feet of gas, to the Pilbara coast, where a single processing train will be capable of producing five million tonnes of liquefied natural gas (LNG) a year.

The Wheatstone project, which will require extensive regulatory approvals including from the Environmental Protection Authority, is not part of Chevron's massive \$20-plus billion Gorgon project, which the energy giant hopes to locate on Barrow Island.

Wheatstone is similar in size to Woodside Petroleum's \$12 billion Pluto LNG project, which aims to start delivering the WA domestic market as well as overseas customers as early as 2010.

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