

Prelude, Ichthys not linked: Shell

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THE Ichthys and Prelude gas discoveries, located in neighbouring Browse Basin permits, appear to be separate structures, according to Royal Dutch Shell, which holds the Prelude permit.

Confirmation of this would have been a relief for Ichthys operator Inpex, which has enough headaches without having to spend time on unitisation negotiations.

Royal Dutch Shell executive director gas & power Linda Cook told journalists on the sidelines of APPEA 2008 Conference that Shell Development Australia and Inpex had a good relationship and were cooperating on finding efficiencies. Both companies were also closely watching State and Federal Government moves to find a site for a common user hub in the region.

But Shell may choose to develop Prelude via a floating LNG processing vessel rather than an onshore site, according to Cook.

"Prelude is relatively small and relatively far from shore, and the nearest coastline is quite environmentally sensitive," she said.

Shell won the Prelude permit by bidding an at the time unprecedented 12 commitment wells. So far it has completed eight of those wells. Cook declined to say how many had been successful.



The Ocean Epoch drilling Prelude for Shell Development Australia