

ConocoPhillips set to start Browse drilling

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ConocoPhillips, the third-largest US oil company, is set to start next month a delayed drilling program off the Kimberley coast targeting natural gas discoveries that could fuel an export project.

Conoco's joint venture partner Karoon Gas Australia said the A\$270 million (\$176 million) exploration program in the Browse Basin, the site of discoveries by Inpex and Woodside, would start with the Poseidon-1 well.

Karoon's executive chairman Robert Hosking said the drilling was set to continue until the third quarter of next year.

ConocoPhillips and Mt Martha, Victoria-based Karoon plan to drill at least one well in each of three permits that lie to the east of Woodside's Torosa gas field and to the west of Inpex's Ichthys field.

The fields are being developed for separate LNG projects, each costing at least \$20 billion, to supply north Asia's rising demand for cleaner-burning fuels.

The Browse Basin has certainly proven to be rich in gas and condensate, which augurs well for the upcoming exploration program, Mr Hosking said.

Karoon Gas gained as much as 10 per cent to \$2.53 in earlier trade before falling to \$2.36 by 12.55pm.

The Browse Basin drilling will be the biggest exploration program to date for Karoon, which also plans seismic surveys in the Tumbes Basin in Peru and the Santos Basin in Brazil.

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