



Chevron to triple size of Australia LNG project

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PERTH, July 11 (Reuters) - U.S. energy firm Chevron Corp (CVX.N: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) plans to triple the production capacity of its proposed Wheatstone liquefied natural gas (LNG) project off western Australia to 15 million tonnes a year, the firm said on Friday.

Chevron said expansion plans for the project came after it found a significant gas extension at its Iago gas field, which lies adjacent to its Wheatstone gas field in Western Australia. [ID:nSYD178898]

Chevron, which is also the operator of the proposed Gorgon LNG project in the same region, said it was now looking at combining the resources in the Wheatstone and Iago fields into a single project with three processing units.

"We've now got enough gas to support a multi-train development and we're also looking at the option of bringing in third-party gas," Chevron's spokeswoman Nicole Hodgson said.

The Wheatstone LNG project, which will also supply Australian markets as well as exports, is expected to enter the front-end engineering and design (FEED) stage in 2009, she said.

The planned expansion will bring the total capacity of Chevron-operated LNG projects in Australia, Wheatstone and Gorgon, to 30 million tonnes a year.

Chevron said in March that total gas reserves in Iago and Wheatstone fields were estimated to be 4.5 trillion cubic feet (tcf), while the Gorgon gas fields are estimated to be about 40 tcf.

The Iago field stretches two licence areas, one of which is 100 percent owned by Chevron, while the other is one-third held by Royal Dutch Shell Plc (RDSa.L: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)).