

Inpex gears up for FEED

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INPEX is expected to soon take another important step towards building a gas plant in Darwin.

It will start what is known as FEED, front-end engineering and design.

This will involve designing the whole project - extracting the gas from the Ichthys field off the Western Australian coast, piping the gas more than 850km to Darwin and building an LNG plant at Blaydin Point. FEED will take 12-18 months.

A final investment decision will be taken in early 2010, even if FEED is not finished.

The Inpex project will cost about \$25 billion. The Territory part will cost nearly half that.

The Ichthys field, which lies in the Browse Basin, holds an estimated 12.8 trillion cubic feet of natural gas and 527 million barrels of condensate.

Inpex said the project would at first produce eight million tonnes of LNG and 1.6 million tonnes of liquefied petroleum gas per year, and 100,000 barrels of condensate per day.

Flow lines will be attached to at least 20 drill holes.

Condensate, a light crude oil, will be exported directly from the offshore field.

The gas will be piped to Darwin. It will still contain some condensate, which will be extracted at the Blaydin Point plant.

Two liquid natural gas trains will be built, which will give it twice the capacity of the present ConocoPhillips LNG plant at Wickham Point.

But Inpex said that did not mean its plant will be twice the size.

Up to 2000 workers will be employed during the construction of the plant.

There will be about 300 permanent jobs once the plant is in operation.