

**SE** Asia Pacific  
**HD** **BG starts up gas facilities for Queensland LNG**

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Australia's QGC, a subsidiary of UK-based BG Group, has started up a network of upstream gas processing facilities which will feed its \$20.4 **billion** Queensland Curtis LNG project off the eastern Australian port city of Gladstone.

The new facilities will mainly process output from QGC's coalseam gas fields in Queensland's onshore Surat and Bowen basins.

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The seven new facilities comprise six field compression stations feeding gas drawn from hundreds of CSG wells into the larger Ruby Jo Central processing plant, QGC said Tuesday. The central processing plant will send the gas to Curtis Island through a 540 km (335 mile) underground pipeline network.

"This milestone was achieved to schedule and keeps us firmly on track to be the world's first bespoke project to produce LNG sourced from **coal** seams, with first LNG production due in the final quarter of this year," said QGC Managing Director Mitch Ingram.

The new processing facilities are the first to start operating under a contract QGC awarded to Australian engineering, construction and **mining** services **company** Thiess last September for the construction of 17 field compression stations and four central processing plants at three hubs in the Surat Basin.

The 8.5 **million** mt/year Queensland Curtis liquefaction and export facility, being built on Curtis Island off Gladstone, is targeting first LNG in the fourth quarter of 2014, QGC reiterated.

Under a \$1.9 **billion** deal completed in November 2013 **China**'s state owned **China** National Offshore **Oil** Corporation agreed to increase its **equity stake** in QCLNG Train 1 to 50% from 10%, to raise its **equity** interest in some of BG's Surat Basin reserves and resources from 5% to 25% and the option to participate as a 25% partner in one of the potential expansion trains at QCLNG.

QCLNG is one of three CSG-based LNG export facilities under construction on Curtis Island, the other two are led by Australian **oil** and gas group Santos and US major ConocoPhillips.

Santos is constructing the 7.8 **million** mt/year two train Gladstone LNG facility. In March the **company** said the \$18.5 **billion** project was 80% complete and on track to load its first cargo in 2015. Santos' partners in GLNG are Malaysia's Petronas (27.5%), French major Total (27.5%) and Korea Gas Corporation (15%).

ConocoPhillips is building the 9 **million** mt/year two train Australia Pacific LNG plant, slated for first output in mid-2015. In late April partner Origin **Energy** said the A\$24.7 **billion** (\$23.3 **billion**) project was almost 70% complete. ConocoPhillips and Origin both have 37.5% shares in APLNG with the remaining 25% held by **China**'s Sinopec.

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**CO** brgas : BG Group PLC

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