

SE Gobe Commences Production

Crude oil has begun to flow from the SE Gobe field, with the project three months ahead of schedule and below budget. Sources say it demonstrates the ability of the Government, landowners, developers and contractors to efficiently bring complex projects to fruition in Papua New Guinea.

Currently Chevron reports at least 10,000 barrels of oil per day (bopd), with an anticipated maximum flow of 25,000 bopd to be achieved in July 1998.

SE Gobe lies approximately 80 km to the southeast of the existing Kutubu oil fields. The SE Gobe oilfield straddles two licences, PDL 3 and PDL 4, and is Papua New Guinea's first unitised development. Santos Group equity after unitisation and State participation in the field is 6.975%. The proved and probable reserves for SE Gobe are 62.4 million barrels.

SE Gobe is being developed by Chevron Niugini Pty Limited in conjunction with the Gobe Main field, which commenced production on 9 March 1998, with production from both fields flowing to a common production facility for stabilisation prior to export through the Kutubu pipeline system.

Santos' General Manager South East Asia, Mr Bob Hall, said: "The project is a milestone for Santos. It represents the company's first production from Papua New Guinea."

