Chevron to expand Gorgon

As Chevron focuses on bringing the final Gorgon train into production over the next few months, the LNG project operator is preparing for additional spending to keep gas flowing to the Pilbara’s Barrow Island.

Chevron had begun front-end engineering and design (FEED) for Gorgon stage two, a company spokeswoman said.

Additional wells will be drilled in the Gorgon and lo-Janzs gas fields, and extra equipment and infield flow-lines installed on the seabed to flow the gas through the two existing pipelines to Barrow Island.

A spokeswoman said future development phases had always been anticipated to maintain gas supply and would take as long as was necessary to give the project’s partners enough certainty.

WestBusiness understands the FEED includes overall design by Wood Group and subsea equipment from GE, with a final investment decision targeted for the second half of next year.

Chevron is also working on the lo-Janzs compression project, according to industry sources. The project will maintain flow from the existing and proposed new wells when the reservoir pressures decline.

Compression for the Gorgon field is thought to follow later in the life of the project.

The FEED announcement comes as Chevron is working to start the third and final Gorgon train by early next quarter.

The two trains currently producing LNG are receiving gas from the lo-Janzs gas field. LNG from train three will involve starting up the Gorgon field and the first removal and sequestration of carbon dioxide as well as starting up the third LNG train on Barrow Island.

Chevron is presenting a project update to potential suppliers today at the Australasian Oil and Gas Conference in Perth.