

## FPSO takes centre stage at Sunrise development

Upstream, 7 May 2019 By Russell Searancke

A floating production, storage and offloading vessel will be the centrepiece of the offshore field development for the Sunrise liquefied natural gas project in Timor-Leste, according to operator Woodside.

Woodside chief executive Peter Coleman said the gas FPSO would be “similar to what we are proposing at the Browse project. There’ll be an FPSO and a pipeline to shore (in Timor-Leste)”.

Coleman reiterated that his company will not be investing in the onshore LNG plant.

If the proposed FPSOs for Woodside's Browse development off Australia are the model, then the Sunrise floater will be about 360 metres in length with a significant topsides package. The Browse floaters will be designed to produce 1.1 billion cubic feet per day of gas.

The Sunrise fields are located 150 kilometres off Timor-Leste's southern coast in water depths of between 90 metres and 550 metres.

They contain an estimated contingent resource of 5.13 trillion cubic feet of gas and 226 million barrels of condensate.

Coleman made it clear that Woodside supports the Timor-Leste government's plan to pipe the gas from the fields to an LNG plant in Timor-Leste, but Woodside will not invest in the onshore facility.

Instead, it will operate the plant on behalf of the government on a transitional basis while the Timorese develop their own expertise to take over the operation.

He referred to a similar model in Indonesia, where state-owned companies own and operate the LNG facilities.

Coleman also said his company welcomed the Timor-Leste government's recent acquisition of a majority interest in Sunrise, and that the departure of US independent ConocoPhillips and Anglo-Dutch supermajor Shell from the project had been “a positive development”.

“We had two partners who were not aligned to a development concept that we supported, which was to move the gas to be processed onshore in East Timor,” he said.

“Those two partners who have left wanted processing either offshore or for it to go to Darwin, which of course the Timorese were stridently against.”

The government last month completed its US\$650 million acquisition of ConocoPhillips' 30% equity in Sunrise as well as Shell's 26.56% stake, giving it a majority 56.56% interest, with Woodside holding a 33.44% operating interest and Osaka Gas on 10%.

Coleman stated that the main barrier to moving forward with the development was the ongoing negotiations between the Timor-Leste and Australian governments on fiscal arrangements after the two nations last year agreed on a permanent maritime border.

“They are currently negotiating a production sharing contract and the fiscal terms for that and of course promised us that those fiscal terms will be on a similar basis to the terms that we had previously under the two jurisdictions,” Coleman said.

“I would say that's moving as fast as government can move on getting the fiscal terms worked through, and once that's done then we will sit with the Timorese and work out some of the development planning but we haven't done any further engineering on it for some period of time, simply waiting for that to go through.”

The two governments also must ratify later in the year the new maritime boundary treaty, and Australia must first go through a national election.

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