



Apache Energy Limited (Apache), on behalf of the Van Gogh joint venture participants, is proposing to develop an oilfield, known as Van Gogh, off the Exmouth coast.

Consultation

Apache has continued its public consultation activities on the project, with the second and third Stakeholder Consultation Group (SCG) meetings taking place in Exmouth and Perth during late July and late September. The meetings have been well attended by government, conservation, industry and business representatives, with many local issues discussed. The second meeting focused on project installation activities while the third meeting included a detailed presentation on the FPSO oil spill modelling.



The second Exmouth SCG meeting at the Novotel Ningaloo Resort

Public Environment Report

Apache is making solid progress on the Public Environment Report (PER) for the Van Gogh Field Development. A preliminary draft of the PER is almost ready for submission to the Commonwealth Department of the Environment and Water Resources (DEW) for their determination on its suitability for public release.

Apache presented preliminary drafts of the first four chapters of the PER to the SCGs to enable early comments to be provided. The remaining three chapters will be provided as they become available.

Drilling Environment Plan

The Drilling Environment Plan (EP) was submitted to the WA Department of Industry and Resources (DoIR) for approval in early September. This document provides the environmental impact assessment for the development's drilling activities. SCG members were provided a copy of this document, which is not normally circulated to the public. The Drilling EP was approved by the DoIR on the 5th of October 2007.

Community Sponsorships

Apache has continued its discussions with various organisations in Exmouth regarding sponsorship opportunities. Recent sponsorship arrangements have been put in place with the:

- Learmonth airport – contribution to the purchase of a fire engine.
- WA Marine Science Institute (WAMSI) – support of their research programme with Apache providing its environmental monitoring database.
- Australian Institute of Marine Science (AIMS) – supporting 3 year whale shark tagging programme.

- Exmouth District High School – providing funding for the school's maritime and marine studies programme

Detail on these sponsorships, together with Apache's sponsorship policy, is available on the project website.

Oil Spill Modelling

Global Environmental Modelling Systems (GEMS) has finalised its oil spill modelling study for the Van Gogh Development. These results were discussed at the latest SCG meetings. These results will be included in the PER, and show that:

- the chance of any sized oil or diesel spill entering the Ningaloo Marine Park is less than a 1 in 1,000,000 year risk.
- this risk is mainly restricted to the June-July period when seasonal wind conditions provide a slightly increased probability for any oil spill to move south.
- there is no risk of spills entering the Muiron Island Marine Management Area (MMA) or Exmouth Gulf.

Furthermore, the modelling results indicate that the presence of five FPSOs off the North West Cape does not significantly increase the risk of oil spills reaching the Ningaloo Reef or coastline, with probabilities still as low as 1 in 1,000,000 years during the June-July period.

Van Gogh Field Development Update

Drilling of the Theo-3H appraisal well took place during June. The two day flow test returned excellent results of 1,500 m³/day of oil (9,694 barrels per day), firming up the oil reserve estimates of the Van Gogh field.

Drilling of the 10 production wells is scheduled to commence in mid-December 2007 and continue until late-September 2008, dependent on weather conditions.

The FPSO is currently in dry dock in the Philippines with life extension work (replacement of 2,000 t of steel) and asbestos removal being undertaken by some 210 personnel. It is expected to arrive in Singapore in January 2008 to complete the conversion work and commence the installation of topside process modules.



The 'Kudam' oil tanker in dry dock in the Philippines undergoing conversion works

More Information

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