BULLS N' BEARS ANNOUNCEMENTS

16 HOURS AGO

Buru partners up to accelerate WA gas development

By Matt Birney

Transborders Energy floating LNG vessel. Credit: File

Buru Energy has stepped up its commercialisation efforts associated with its Rafael gas development in WA's Canning Basin by signing an agreement with Transborders Energy to conduct a pre-feasibility study for an LNG plant solution.

The company says the Kimberley-based facility could promote a swifter, simpler and more capital-efficient mechanism to liquify and export its resources and is set to be completed by the first quarter of next year.

mechanism to liquify and export its resources and is set to be completed by the first quarter of next year.

Buru says the proposed plant would be scalable, localised and ultimately eliminate the need for it to transport its Rafael-sourced gas to the North West Shelf for processing and subsequent delivery.

Transborders is an independent energy company that offers developers an alternate route to get its gas to market through the development of pre-engineered, small-scale, low-cost floating LNG vessels that have been proven to produce about 1.5 million tonnes of gas per annum.

Unlike land-based gas terminals floating facilities can generally be constructed in about three years as opposed to six and allow developers to quickly monetise stranded gas resources.

The company says the proposition has received obtained “Major Project” designation from the Australian Federal Government and will be progressed through a multi-armed arrangement with some of the sector's more notable energy players including Kyushu Electric Power, Mitsui OSK Lines, Technip Energies, SBM Offshore and Add Energy.

The allocation essentially means the project is one of national significance and could readily receive additional support in terms of state and territory approvals.

Buru Energy Chief Executive Officer Thomas Nador said:*“This relationship is an important component of our commercialisation options for the development of our world class Rafael resource, particularly as under the collaboration arrangement, Transborders has access to a world class multi-disciplinary team across the full development and sales spectrum.”*

Buru’s efforts to commercial its gas resources follow ongoing developments at its Rafael 1 gas and condensate discovery well about 150km east of Broome in WA.

Earlier this year the company stated an independent review of its Ungani Dolomite reservoir in the Rafael 1 well suggested it could have its foot on a gross 3C contingent resource of about 1 trillion cubic feet of recoverable gas and 20.5 million barrels of condensate – a low density liquid hydrocarbon generally found with natural gas.

Resources classed as “3C” are deemed sub-profitable and require supplementary work to push the commodity up to the more profitable 1P,2P or 3P categories.

Perth-based Buru is co-owner of Rafael 1 with JV partner Origin Energy and also picks up the well’s operational duties.

At present, the partnership is split 50/50 but could soon change following Origin’s decision to re-position itself as a clean energy company.

Buru management noted Origin’s support in developing Rafael had produced a potentially game-changing gas and condensate discovery and will now look to assist Origin in a timely exit.

The producer's decision to commercialise gas from Rafael follows a wave of positive support for a commodity that is tipped to be the strongest-growing fossil fuel by leading management consultancy group McKinsey & Co.

Is your ASX-listed company doing something interesting? Contact: matt.birney@businessnews.com.au

Return to Bulls N Bears for more public company news

Related Data & Insights

Share price | Revenue

Buru Energy

Closing price for the last 90 trading days

View Full Chart

Powered by Morningstar®

Data & Insights

Mentioned Organisations

Buru Energy
Business News 30, Oil and Gas Companies and Public Companies - Resources WA

Transborders Energy

Technip Energies
Engineers and Technology Companies

Mentioned People

Thomas Nador

Related Articles

27 Oct 2022

Buru bolsters September revenue with WA oil sales