

Equatorial Guinea approves Noble's offshore plans

Cape Town, South Africa—Equatorial Guinea has given the green light to the revised development plan of Noble Energy's oil and gas project in the Douala Basin in the Gulf of Guinea, the country's deputy energy minister said July 7. "The initial plan of development only took into consideration the oil and that is why we did not approve it," Gabriel Nguema Lima said on the sidelines of the CWC-organized conference in Cape Town. "Finally, Noble Energy has taken into consideration the gas that will be supplied to us. So this new plan has been presented and has been approved," Lima said. The minister said first oil will be produced from the project at 50,000 b/d in the first quarter of 2012. He gave no gas output figures. A multi-field project is likely, using a floating production unit that will strip out the oil and liquids. Gas could then be piped to Bioko Island for onward transmission to the proposed site of the country's second LNG plant. Noble is the technical operator of block O in the basin with a 45% participating interest. Its partners on the block include GEPetrol, the national oil company of Equatorial Guinea with 30%, and Glencore with a 25% stake. Lima said Equatorial Guinea is seeking to diversify its resources by harnessing its natural gas reserves, most of which are currently flared off from existing oil projects. He said ExxonMobil expected to stop flaring gas from the Zafiro field by the end of the year, and instead will divert it to the first LNG train or alternatively for a proposed second train. Lima said flaring had been eliminated at the Alba field but that ExxonMobil still flared about 72% of gas at Zafiro. Equatorial Guinea passed a law in November 2006 requiring an end to all gas flaring in the country. Since the 1995 discovery of the Zafiro field, Equatorial Guinea's oil production has increased dramatically from 5,000 b/d in 1995 to 240,000 b/d.—*Jacinta Moran*