

Assuming the gas-in-place reserves are 1.536 BCF (Glenday et al 1984) then a depletion of 72% is achieved during the 20 year project. This depletion is high, however Glenday gives a 50% probability that gas-in-place exceeds 2 TCF.

2.8.6 Investment

Table 2.5 details estimated investment expenditure for the two options. The total investment cost ranges from \$980,000 (Option 2) to \$1,300,000 (Option 1).

The timing of investment expenditure is based on a four year design, construct and drill initial development wells to commence sales gas production from the commencement of year five. The commissioning of the second and third platforms (Option 2 and 1 respectively), are timed to maintain the constant 34 BCF sales gas to market. The investment schedules are presented in Table 2.6 and 2.7.

2.8.7 Operating Costs

The operating costs included have been restricted to direct costs only with limited allowance for overheads (Head Office, reservoir engineering, development geology, accounting etc.).

The principle cost centres are:-

Lifting (workovers, clean-outs, treatments)

Offshore Production:

Operating of gas processing facilities

Maintenance of platforms