



Greater Enfield Area

Update

February 2007

Enfield

It's been a busy time for our offshore workers on *Nganhurra* since production started from the Enfield oil field in July 2006.

After a promising start to commissioning, we hit a plateau production rate of 74,000 barrels of oil a day in September 2006.

Since then we have had a production setback, with reservoir water and sand from one of the five production wells flowing back to *Nganhurra*. The water production was slightly earlier than expected and the sand production presents a problem for processing onboard *Nganhurra*.

We have "shut-in" this well and are putting in place a work program to repair the well, while also drilling additional wells to help improve reservoir performance. This work will be done in 2007, with the aim of improving production from the current rate of about 43,000 barrels of oil a day.

Production from the remaining four wells will continue as normal, with about four cargoes loaded to tankers a month.



M/V Veritas Voyager will take part in the seismic survey in January 2007



Nan Hai VI will drill the development wells for Vincent

As at the end of January 2007, we had loaded 15 cargoes, with delivery destinations including refineries in Australia, Japan, Korea, Singapore and the United States. About the half of the oil from Enfield has been sold into the Australian market.

To better understand the Enfield reservoir, we will be conducting a seismic survey over the field, starting mid-February 2007.

The survey will be a repeat of work done at the same location in February 2004 and will tell us if there have been any changes to the characteristics of the reservoir. Collecting this information at regular intervals helps us to best manage the Enfield resource.

The program is expected to last about three-to-10 days depending on weather, sea conditions and allowing for contingencies. A government-approved environment plan is in place to cover activities.

The program will be undertaken for Woodside by Veritas, an international geophysical services company with more than 36 years experience. Two boats will be used, M/V Veritas Voyager and M/V Pacific Sword. These boats may need to enter Exmouth Gulf in the event of bad weather.

Vincent Oil Project

The Vincent project is progressing well, with work now about 20% complete and on schedule.

All major contracts have been awarded and work is taking place at locations around the world for the design and supply of the subsea equipment, the oil production facility and its mooring system.

Like Enfield, oil will be produced on a floating, production, storage and offloading facility, or FPSO. The FPSO for Vincent will involve the conversion of an oil tanker, *Ellen Maersk*, for use at Vincent. The conversion will take place at Keppel Shipyard, Singapore, with conversion work expected to start in March 2007 and topsides fabrication is already well underway in Thailand.

Around this time, a drilling rig will be mobilised to the Vincent location to start the drilling of the development wells. The first phase of the Vincent development will comprise 11 wells, eight of which will be used for production, two for water reinjection and one for gas reinjection.

Additional wells may be drilled but these will be dependent on the success of the first phase.

The rig for Vincent is the *Nan Hai VI*, which is currently drilling wells for Woodside in the Browse Basin, about 400km north-west of Broome. It had previously undertaken a work program and drilling program for Woodside in the Timor Sea.

Under normal operating conditions at Vincent, produced water will be re-injected to the oil-bearing reservoir, or other suitable reservoir, and surplus gas will be re-injected into a suitable geological formation for storage and potential re-use as fuel gas onboard the FPSO. The re-injection of gas and water is being done for environmental reasons.

Community Partnerships

Woodside would like to thank those organisations and individuals for registering interest in becoming a Woodside community partner in 2007.

A number of long-running programs will continue to be supported in 2007 and some new initiatives will hopefully reach fruition during the year.

We believe that our community program in 2007 will provide a significant contribution to economic and social development of Exmouth and the North West Cape area. A summary of the program follows:

Community Events and Activities

- Ningaloo Whaleshark Festival sponsorship
- Exmouth Bowling Club tournament sponsorship
- Exmouth Golf Club tournament sponsorship
- Exmouth Shire notice board advertising
- Exmouth Visitors Centre display space hire

Cultural

- North West Cape Exmouth Aboriginal Corporation art competition and cultural activities for NAIDOC Week 2007
- Exmouth Cultural Centre Art Quest competition youth prize

Capacity Building

- Volunteer Marine Rescue sponsorship – financial assistance to assist with the purchase of a new rescue vessel.

Memberships

- Exmouth Visitors Centre corporate membership

Education

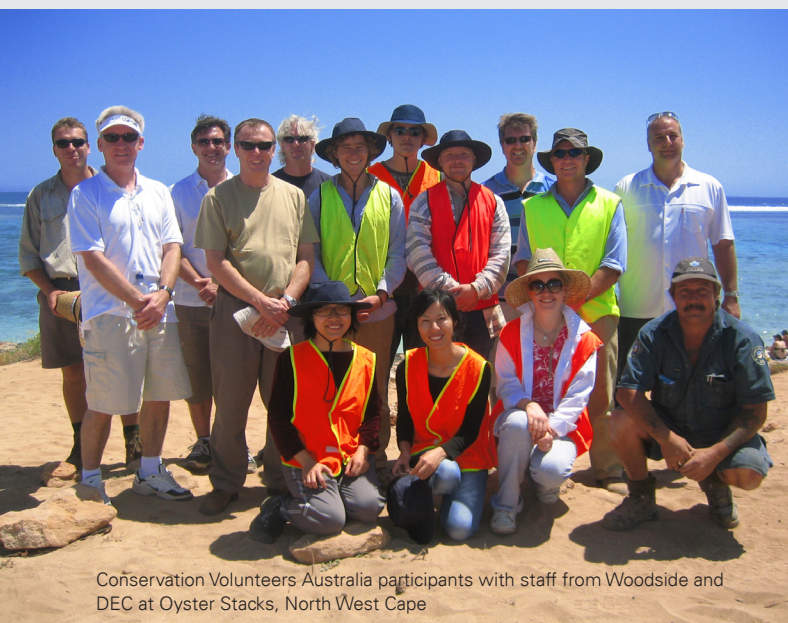
- Exmouth District High School – a program will be developed in 2007 to support teachers raise career awareness opportunities for young people. The education program will also embrace “in the field” scientific research, focusing on the echidnas of North West Cape, as well as an annual achievement prize for Year 12 graduates.

Environment

- Earthwatch Institute sponsorship – In 2007 Earthwatch will for the second year running stage the “Earthwatch Ningaloo Reef Whale Sharks” program in Exmouth. Earthwatch will be seeking to bring people from around the world to support the research activities of ECOCEAN, led by award-winning scientist Brad Norman. Woodside’s support will allow Exmouth community and other stakeholders, including Woodside operations staff, to learn more about this little known species and help promote its conservation.
- Conservation Volunteers Australia sponsorship – CVA is an organisation that attracts and manages a force of volunteers in practical conservation projects. Woodside’s support in 2007 will allow conservation volunteers to undertake worthwhile conservation activities on North West Cape.

Woodside will continue its stakeholder consultation program by way of its Community reference group, which meets on a regular basis to have a say about Woodside operations, projects and related activities. The Exmouth Community Reference Group has 29 members drawn from local government, government departments, local business, environmental groups, education organisations and community representatives.

Advertising in local media will continue to be undertaken prior to the start of ‘field’ activities where there are potential impacts for Exmouth residents and businesses.



Conservation Volunteers Australia participants with staff from Woodside and DEC at Oyster Stacks, North West Cape

More Information

For information about Woodside’s oil and gas activities contact Tony Johnson on 08 9348 5034.

For information about becoming a Woodside community partner contact Violeta Taneska on 08 9348 6146.

For information about employment at Woodside go to www.woodside.com.au/careers

Toll free – 1800 654 249

Woodside Energy Ltd.
240 St Georges Terrace
Perth, Western Australia 6000
Telephone: 08 9348 4000.

Web: www.woodside.com.au