Northern Oil & Gas Australia goes into voluntary administration

Northern Oil & Gas Australia, operator of the Northern Endeavour FPSO in the Timor Sea, along with its associate companies TOGA Services and Timor Sea Oil & Gas Australia, have gone into voluntary administration.

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Northern Oil & Gas Australia (NOGA), operator of the Northern Endeavour floating production, storage, and offloading vessel in the Timor Sea, along with its associate companies TOGA Services and Timor Sea Oil & Gas Australia, have gone into voluntary administration.

KPMG has been appointed as administrator.

The appointment of administrator comes just 3 months after the Australian offshore regulator, National Offshore Petroleum Safety and Environmental Management Authority, took the unprecedented measure of shutting down the FPSO citing an "immediate threat to health and safety" due to structural corrosion at the facility.

A regulatory inspection had found that the FPSO was in a degraded state and there were major concerns over the technical integrity of critical structures and equipment on the vessel.

Northern Endeavour is permanently moored in 400 m of water between Laminaria and Corallina oil fields in production licenses WA-18-L and AC/L5 in the western Timor Sea 550 km northwest of Darwin. The vessel is of double-hull design and was originally installed by a Woodside Petroleumoperated group following discovery of the fields in the mid-1990s. Oil production began in 1999.

The FPSO has the capacity to hold 1.4 million bbl of oil and at peak production processed 170,000 b/d.

NOGA bought 100% of the licenses and the FPSO from Woodside in April 2016.

Laminaria and Corallina fields remain shut in. Responsibility for the facility continues to lie with NOGA.