

Monteiro: Equipment dismantling at Bayu-Undan begins

DILI, 12 december 2023 (TATOLI) – The Minister of Petroleum and Mineral Resources, Francisco da Costa Monteiro, informed that the process of dismantling equipment at the Bayu-Undan field has begun.

“The dismantling process at the Bayu-Undan field is still ongoing; many discussions are being held by the National Petroleum Authority with Santos Company, Ltd,” Minister Francisco told reporters at his office in Farol Dili on monday.

He explained that the LNG production project at Bayu-Undan has been completed, but there are several other mechanisms to continue a little production. “So that it can last at the end of this year until the beginning of 2024,” Minister Monteiro said.

The minister pointed out that several parties will complete the dismantling, and it takes time because all the existing equipment is dismantled.

“The dismantling must be done properly, so that the sea conditions before and after production must remain the same,” he said.

“The dismantling budget is funded by the consortium companies, but as far as I know, the funds used for dismantling are around \$1.3 billion,” Monteiro said.

Meanwhile, through the official website of the Santos Company, Ltd., the dismantling of oil production equipment at the Bayu-Undan field is ongoing.

“Santos has been a proud partner in the integrated Bayu-Undan/Darwin LNG project for over 20 years, including as an operator since 2020. These assets have created local jobs, generated revenue for Timor-Leste, encouraged investment, and strengthened communities in both countries,” the Santos Company wrote on its website.

Previously, the Government of the VIII Constitution, through a meeting of the Council of Ministers, approved the draft rules submitted by the former Minister of Petroleum and Mining (MPM), Vítor da Conceição Soares, on the implementation of dismantling activities at the Bayu-Undan Field.

Previously, Bayu-Undan was operated by Conoco Philips (formerly Phillips Petroleum). The first significant petroleum development in the JPDA to go forward is the gas recycling phase of the Bayu-Undan field. The development drilling program for 16 wells in the Bayu-Undan field began on May 17, 2002, and two major operating platforms are under construction. In 2004, this project is expected to begin producing and processing the gas, separating and selling the liquids, and re-injecting the gas back into the reservoir.

Journalist: Camilio de Sousa

Editor: Rafael Ximenes de A. Belo