

## Kupe partners erect condensate storage tanks at New Plymouth

**11 March 2009 - Construction of the Kupe field gas-condensate project is moving towards completion in the first half of 2009 with the project now 90% complete.**

One of the Kupe partners New Zealand Oil & Gas says that two storage tanks to hold condensate began erection in December at the Omata Tank Farm near New Plymouth.

Laying of the export pipeline from the tanks to the nearby Port of Taranaki is due to be completed by March.

Kupe operator Origin Energy says pre-commissioning of several systems at the onshore production station near Hawera has already commenced.

Generally good spring weather assisted progress in such activities as erecting piping, steel structures, the installation of spools, and electrical cabling.

As the construction phase moves towards its completion in the first half of 2009, attention is also turning to the transition from a development project to an operating oil and gas field, and the various processes and agreements that need to be in place.

NZOG says it has entered into an agreement for Vector to purchase NZOG's share of the LPG that will be produced from the Kupe field. Vector has agreed to take NZOG's LPG entitlement of approximately 15,000 tonnes per annum for an initial term of 10 years. This term can be extended for up to another 5 years.

Origin says the production plant remains on track for first commercial gas sales to commence in the September quarter 2009.

Sources: Origin Energy, NZOG and Lindsay Clark