

Juno Development Gets the Go-Ahead

November 14, 2001

The partner companies in JUNO - Phase 2 of the Easington Catchment Area (ECA) development - have welcomed the Department of Trade and Industry's approval of the Field Development Plan, allowing the £270 million investment to proceed.

The JUNO development is managed by a joint team drawn from the three partner companies - BG Group, BP and Amerada Hess. First gas, which will be exported via BP's Cleeton/Dimlington infrastructure, is expected to flow in the fourth quarter of 2002. Gas production rates during 2003 are expected to peak at 300 million standard cubic feet per day (50,000 barrels of oil equivalent per day).

The JUNO fields lie in the UK Southern North Sea off Humberside, and are currently estimated to contain more than 400 billion cubic feet of gross recoverable reserves.

The project represents the accelerated development of the dormant ECA fields, made possible by investment which allowed the use of existing infrastructure and the unlocking of capacity in the existing BP export system. During the next 12 months, the project should underpin some 1200 jobs in the UK oil and gas industry.

The fields to be developed are Apollo and Minerva (BG operated) and Whittle and Wollaston (BP operated). A fifth development field - Artemis (BG operated) - will be integrated into the JUNO project, pending successful appraisal in the first quarter of 2002. Drilling is expected to start on the Minerva and Whittle hubs before the end of the year. Platform and pipelines should be installed over the summer of 2002.

Speaking today, BG Executive Vice President Jon Wormley said:

"The JUNO project represents significant, continued investment from three well-established UKCS operators. By building on the Phase One investment and linking in to existing infrastructure, the project is a testament to collaborative working practices at their best."

His words were echoed by Joint Development Team Manager John Moseley of Amerada Hess. He said: "JUNO is characterised by an innovative approach to project management. By establishing a team comprising members from all partner companies during all project stages, we have minimised project management costs and maximised the logistical and contractual synergies."

"By combining the technical knowledge and expertise of three leading UKCS players," said Mark Bly, Leader for BP's Southern North Sea Business Unit, "JUNO is making a major contribution to the extension of production and activity in the North Sea. It also delivers a project which incorporates best practice and innovative thinking."

The Minerva hub facilities are planned to consist of sub sea production systems on Apollo and Artemis and a normally unmanned installation at Minerva. The Apollo sub sea wells will be tied back via a manifold and pipeline to the Minerva platform. If successful, the Artemis appraisal well will be tied back via a separate pipeline to the Minerva platform. Produced fluids from all three fields will be commingled on the Minerva platform, and the combined flow exported via a new 16-inch diameter pipeline to the BG-operated ECA riser tower bridge linked to the Cleeton platforms, where the gas is separated, dried and metered before transmission into the BP Cleeton/Dimlington pipeline system.

The Wollaston and Whittle fields will be developed via sub sea wells and flowlines tied back via a manifold and a new 12-inch diameter pipeline to the ECA riser tower, where they will be commingled with the Minerva hub fluids.

A comprehensive Environmental Statement covering the JUNO fields has been approved, following the production of a full environmental impact assessment and consultation involving all interested parties over the summer. In September, Genesis Oil & Gas completed the facilities FEED work, having been awarded the contract in April.

The Detailed engineering design for the Cleeton platforms and Dimlington terminal modifications are being completed by AMEC in their Aberdeen offices.

The contract for pipeline materials has been awarded to Dalmine SPA, with a scope including all pipeline materials (3" to 16" diameter, riser pipe, coatings and bends).

During November, full contracts are expected to be awarded for subsea controls, topside controls, umbilicals and the Minerva platform. The Pipelines and sub sea EPIC award is anticipated at the same time, and will cover detailed engineering, procurement, construction, installation and testing of all JUNO pipelines and sub sea systems.

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