

- [Wego Travel Deals](#)
- [Search Listings](#)
- [Place an Ad](#)
- [JOBS](#)
 - [careerone.com.au](#)
 - [Job Search](#)
 - [Employment News](#)
 - [Salary Calculator](#)
 - [Advertise your Job](#)
- [CARS](#)
 - [carsguide](#)
 - [Buy A Car](#)
 - [Sell Your Car](#)
 - [Car News & Reviews](#)
 - [Petrol Prices](#)
- ○ [Business](#)
- [News](#)
- [Opinion](#)
- [Companies](#)
- [Markets](#)
- [Economics](#)
- [Mining & Energy](#)
- [Wealth](#)
- [Aviation](#)
- [Financial Services](#)
- [Legal Affairs](#)
- [Property](#)

Weather: [Sydney 7°C - 17°C](#) . Possible shower.

Stock Quotes:

<input type="text" value="ENTER COMPANY CODE"/>		<input type="button" value="Search"/>			
All Ords	70.30	S&P/ASX 200	72.50	AUD/USD	0.0031
4,604	-1.50%	4,530	-1.58%	1.0820	-0.28%

MarketWatch at Mon 25th Jul 6:15pm AEST

Markets Closed Markets Open

Santos reassures investors Gladstone LNG venture on budget

- David Winning
- From: *Dow Jones Newswires*
- July 21, 2011 11:08AM

- [Increase Text Size](#)
- [Decrease Text Size](#)
- [Print](#)
- [Email](#)
- [Share](#)
 - [Add to Digg](#)
 - [Add to del.icio.us](#)
 - [Add to Facebook](#)
 - [Add to Kwoff](#)

- [Add to Myspace](#)
- [Add to Newsvine](#)
- [What are these?](#)

Recommend

Send

Be the first of your friends to recommend this.

Share

5

5 retweet

SANTOS said today its \$US16 billion gas-export joint venture in Queensland remained on budget despite rising cost pressures in the industry.

The comments came as the company said its oil and natural gas output in the second quarter was flat on year.

Santos produced 11.9 million barrels of oil equivalent in the April-June period, an improved performance on the previous quarter reflecting the return to normal of much of its oil and gas operations in the Cooper Basin hub after floodwaters receded and access to wells improved.

Adelaide-based Santos is placing a series of bold bets on natural gas as giant Asian economies such as China and India shift away from burning coal and crude oil, which are widely blamed for a worsening pollution problem.

Santos and partners have begun construction of the \$US16bn (\$14.9bn) Gladstone liquefied natural gas project in Queensland, which will supply Asian customers with up to 7.8 million tonnes of LNG produced mainly from coal seam gas.

Start of sidebar. [Skip to end of sidebar.](#)

Related Coverage

- [Profile: Santos share price](#)
- [Santos sticks by venture schedule](#) *Courier Mail, 3 days ago*
- [Santos on LNG target as output jumps](#) *The Australian, 3 days ago*
- [Santos sticks to forecast despite flood](#) *The Australian, 4 days ago*
- [Easternwell's \\$102m Santos deal](#) *Perth Now, 5 days ago*
- [Santos bets natural gas demand will triple](#) *Courier Mail, 6 days ago*

End of sidebar. [Return to start of sidebar.](#)

"Gladstone LNG is off to a good start. We are on schedule for first LNG in 2015," Santos chief executive David Knox said.

Santos has a minority stake in the PNG LNG project, which a consortium led by ExxonMobil is building in Papua New Guinea, with first LNG exports targeted in 2014.

Earlier this month, Santos bolstered its exposure to natural gas by bidding \$730 million for full control of Eastern Star Gas, which owns several gas fields in New South Wales.

It expects to complete the deal and subsequent sale of 20 per cent of Eastern Star's permits for \$284m to TRUenergy, the Australian unit of CLP Holdings, by late October.

Santos also maintained today earlier guidance for production of 47 million-50 million barrels of oil equivalent in 2011. Forecast capital expenditure this year remained at \$3bn, two-thirds of which is earmarked for LNG projects.

Although the company's recovery from the heavy rainfall in central Australia was well underway, Mr Knox said a number of fields in the Cooper Basin remain affected by flooding and its operations would continue to be impacted for several months.

Santos said its revenue in the second quarter rose 3 per cent on year to \$599m, partly reflecting higher sales prices for its oil and gas output.

- [Increase Text Size](#)
- [Decrease Text Size](#)
- [Print](#)
- [Email](#)
- [Share](#)
 - [Add to Digg](#)
 - [Add to del.icio.us](#)
 - [Add to Facebook](#)
 - [Add to Kwoff](#)
 - [Add to Myspace](#)
 - [Add to Newsvine](#)
 - [What are these?](#)

Recommend

Send

Be the first of your friends to recommend this.

Share

5

5 retweet

[Back to top of page](#)

More related coverage

- [Santos lifts stake in gas play](#) *The Australian*, 27 Apr 2011
- [Santos' results also hit by bad weather](#) *Perth Now*, 20 Apr 2011
- [Santos pushes to be biggest WA provider](#) *The Australian*, 17 Feb 2011
- [Santos boosts gas reserves again](#) *Herald Sun*, 8 Feb 2011

- [Santos deal to 'lift Queensland economy'](#) *The Australian*, 27 Apr 2011
- [Santos in record \\$16bn gas deal](#) *Perth Now*, 20 Apr 2011

[More related coverage](#)

Related Searches

- [Korea Gas](#),
- [Cooper Basin](#),