



## OIL AND GAS FIELD MACHINERY (OGM)

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### Overview

Unit: USD thousands

	2010	2011	2012	2013 (estimated)
Total Market Size	498600	519000	539600	569964
Total Local Production	145600	151400	157400	168418
Total Exports	11000	11400	11800	12154
Total Imports	364000	379000	394000	413700
Imports from the U.S.	144330	148660	157000	164850
Exchange Rate: 1 A\$	1.00	1.00	1.00	1.00

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources:

Total Local Production: Industry estimates.

Total Exports: Industry estimates.

Total Imports: U.S. Census Bureau and industry estimates.

Imports from U.S.: U.S. Census Bureau and industry estimates.

Oil and gas is a US\$10 billion a year production industry. There are approximately US\$150 billion of projects under construction or well-along in the planning stages. Modernization and restoration of existing machinery and infrastructure will continue. The majority of Australia's oil and gas production is from offshore Western Australia (WA), home to the giant Gorgon and Wheatstone projects. There are also significant reserves of coal bed methane and oil shale (over 30 billion barrels). Coal bed methane is a fast growing industry with the bulk of onshore drilling and production focused within the state of Queensland.

Many of the largest multinational oil companies are exploring, operating, and partnering in one or more projects. Among these players are Apache, BP, Chevron, Conoco-Phillips, Exxon, and Shell, as well as the larger Australian companies BHP-Billiton, Santos, and Woodside. Service companies such as Halliburton, Schlumberger, and Technip further enhance the international nature of the local industry. Australia is a receptive market to international operators, consultants, contractors, and equipment, as well as service providers.

Increasing demand for petroleum products (particularly LNG) is fuelling the exploration, development, and production of both existing and new fields across Australia. Increased interest in gas comes from several factors – increased energy consumption by regional importers (Japan, Korea and China), as well as increasing pressure on power generators to use gas as a cleaner alternative to burning coal.

## Sub-Sector Best Prospects

Australia is a net consumer of oil and gas equipment. Companies import much of the technology used in upstream and downstream projects. Technologies such as sub-sea connections, unmanned platforms, and Floating Production, Storage, and Offloading (FPSO), are in strong demand. Other growing segments include coal bed methane production and drilling equipment, deepwater exploration and production technology, and operational safety technology. Australia's oil and gas industry has a high regard for U.S. suppliers because of the latter's reputation for product quality, safety, and reliability.

## Opportunities

Oil and gas companies are engaged in the following projects:

Project Type	Project Name	Company	Value US\$
LNG project	Gorgon	Chevron	43 billion
LNG project	Wheatstone	Chevron	25 billion
LNG project	Australia Pacific LNG	Origin / ConocoPhillips	35 billion
Gas field and LNG plant	Ichthys Gasfield	Impex Holdings	20 billion
LNG production wells, plant, and pipeline	Curtis LNG Project	BG Group	15 billion
LNG project	Pluto (train 2)	Woodside	14 billion
LNG project	NWS North Rankin	Woodside	5.1 billion

## Web Resources

Australia Institute of Energy: <http://aie.org.au/>

Australian Petroleum Production and Exploration Association: <http://www.appea.com.au/>

Australian Pipeline Industry Association: <http://www.apia.net.au/>

Geosciences Australia: <http://www.ga.gov.au/>

U.S. Census Bureau: <http://www.census.gov/>

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