



## **Briefing**

Monday 21<sup>st</sup> May 2007

### **FURTHER DETAILS ANNOUNCED FOR PROPOSED GAS STORAGE PROJECT**

Star Energy today (21<sup>st</sup> May 2007) outlined further key stages in its proposed Albury gas storage project near Guildford in Surrey.

The company is the second largest operator of onshore oil and gas fields in the UK and has operated the existing Albury gasfield since 1999. The company is a major player in gas storage and has already successfully developed a 10 billion cubic feet storage project at its Humbly Grove site near Alton in Hampshire.

It will shortly submit a new planning application to Surrey County Council seeking permission to appraise the strata underlying the existing Albury gasfield. This would require the drilling of two additional wells at the existing wellsite in New Road, Albury. The new application will be accompanied by a comprehensive report demonstrating how the newly-built drilling rig planned for the project would comply with noise limits specified by Surrey County Council. A previous application was recently withdrawn pending completion of the report.

Given approval, Star Energy proposes to drill the appraisal wells later this year. While it is confident that the field is suitable for a first-phase storage project in the Purbeck formation some 2,300 feet below ground level and involving approximately 6 billion cubic feet of gas, the appraisal is needed to confirm a potential second phase of up to 24 billion cubic feet.

With the UK now increasingly reliant on imported gas, the project could make an important contribution to securing the future of the nation's gas supplies. The project would provide sufficient gas to meet the annual needs of some 90,000 homes in the first phase and up to 360,000 in phase two. Over the two phases, it could satisfy the needs of nine towns the size of Guildford.

While the UK currently has the capacity to store just 4% of our annual consumption, European neighbours like France and Germany (20%) store much more. Even homes that don't have gas, still depend upon it for the generation of electricity.

The company has also now been able to identify a proposed site to the east of Send Prison (in the parish of Ripley) for the proposed gas processing facility. It has also identified a proposed pipeline route between the wellsite, the gas processing facility and a new connection to the existing gas grid at Long Reach Road to the south of Ockham. The company has commissioned an Environmental Impact Assessment and expects to be in a position to seek the necessary approvals for the full gas storage project during the summer of this year.

The key components of the overall gas storage operation would be as follows:

- Gas storage in the existing depleted underground gas reservoir at Albury
- Four development wells and pipeline connections at the Albury wellsite
- A gas processing facility at Furze Copse, in the parish of Ripley (800m east of HM Prison Send)
- A five-mile (8.3 km) pipeline between the wellsite and the gas processing facility
- A one-mile (1.8 km) gas pipeline between the gas processing facility and a new above-ground connection to the existing gas grid near Ockham.

Identification of Furze Copse as the proposed location for the gas processing facility is an alternative to siting it at the existing Albury wellsite, which is within a designated Area of Outstanding Natural Beauty (AONB). Activity at the wellsite would, as a result, be confined to initial appraisal drilling up of to two wells and drilling of four development wells and installation of pipeline connections. The site would then normally be unmanned.

The main advantages of the proposed Furze Copse site are that it would minimise development within the AONB, it is a fairly remote location and is already partially screened with potential for further screening with new planting and landscaped mounds.

Construction of the plant would take about 18 months and would involve a site of about three hectares (three football pitches). The maximum height of the plant would not exceed the existing tree line in the vicinity of the planned plant. On completion, the plant would be permanently manned by a small team of about four people and would generate little traffic.

Nearly all the pipeline route involves land currently in use for agriculture. The preferred route would take the pipeline north from the existing wellsite in New Road, Albury. It would pass through farmland and to the west of the Albury landfill site before passing beneath the A25. It would then skirt further woodland and pass beneath the railway line on its way north to the proposed site of the processing plant to the west of Send Prison. The link from there to the gas grid would pass mainly through farmland.

Construction of the pipeline would take about six months. The pipeline would be buried to a minimum depth of a metre throughout its length. Standard trenching construction techniques would be used, except where the route crosses major traffic routes and the Tilling Bourne watercourse, where it would be bored underground. The route of the pipeline would be fully reinstated within the same year as construction, unless prevented by adverse weather.

Injection and subsequent withdrawal of gas would then take place according to gas prices and demand.

ends