



## OIL AND GAS FIELD MACHINERY (OGM)

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Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	519000	539600	611900	630260
Total Local Production	151400	157400	178490	183840
Total Exports	11400	11800	13380	13780
Total Imports	379000	394000	446800	460200
Imports from the U.S.	148660	157000	178000	183290
Exchange Rate: 1 USD				

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.

The oil and gas industry created over \$40bn in revenue for 2012/2013 (yearly growth of 13.2%) and is forecasted for strong growth over the next 5 years, largely due to the development of LNG facilities and the discovery of coal-seam gas (CSG). Revenue is expected to rise by 18.4% in 2013/2014 and to be worth \$66bn by 2020, with LNG making up 88.4% of the total revenue. Western Australia and Victoria are the largest gas-producing states. CSG is also expected to continue its rise in Queensland and NSW after production totals have doubled to 6.8 billion cubic meters over the last 4 years. With the increase in production, Australia is set to become the second largest exporter of LNG and currently contains 8 of the 14 liquefaction facilities operating or under construction in the world. Despite rising crude oil prices, oil production in Australia will continue to decrease as long-standing oil deposits dry up and energy companies focus on LNG.

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, Woodside and Santos. 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.

Approximately 40% of LNG projects machinery, labor and inputs is imported in the Australian industry. Australian firms prefer high-quality and reliable machinery to help offset the high capital and depreciation costs for the industry and increases worker safety. This reliance on high-end equipment as well as a strong Australian dollar and booming LNG and CSG industries

mean there will significant opportunities for US suppliers to gain access to the Australian market.

## Sub-Sector Best Prospects

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- High-end, high-tech equipment for all sub-sectors
- LNG machinery and inputs
- CSG production and drilling equipment
- Quality safety equipment

## Opportunities

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Oil and gas companies are engaged in the following projects:

Project Type	Project Name	Company	Value US\$	State
LNG project	Gorgon	Chevron	50 billion	WA
LNG project	Wheatstone	Chevron	27.8 billion	WA
CSG-LNG plant	Australia Pacific LNG	Origin / ConocoPhillips	23.7 billion	QLD
Gas field and LNG plant	Ichthys Gasfield	Inpex Holdings	32.7 billion	NT
LNG production wells, plant, and pipeline	Curtis LNG Project	BG Group	19.6 billion	QLD
LNG Project	Gladstone	Santos Ltd	17.8 billion	QLD

## Web Resources

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### Useful Links

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/>

### Trade Shows

AOG – AUSTRALASIAN OIL & GAS EXHIBITION & CONFERENCE

Date: 19-21 February 2014

Frequency: Annual

Location: Perth, WA

Website: <http://www.aogexpo.com.au/>

**2014 APPEA CONFERENCE & EXHIBITION**

Date: 6-9 April, 2014

Frequency: Annual

Location: Perth, WA

Website: <http://www.appeaconference.com.au/>

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