

Exxon Mobil plans Piceance plant

The energy company will join others in processing natural gas in the booming region of northwest Colorado, but details are sparse.

By Steve Raabe
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Exxon Mobil is planning a new natural-gas processing plant in the booming Piceance Basin of northwest Colorado.

Engineering firm Washington Group International said Monday it has received a contract from Exxon Mobil to provide en-

gineering, procurement and construction-management services for the processing facility.

Exxon Mobil officials could not be reached for comment to provide details on the plant.

Boise, Idaho-based Washington Group International has a Denver office with nearly 1,000 employees, including about 200 in the oil-and-gas division.

Washington Group will work on off-site facilities that serve the processing plant, including well pads, gathering pipelines, metering stations, separation facilities and an administration/maintenance complex.

EnCana Corp., one of the Piceance Basin's major gas producers, is building a processing plant valued at \$280 million in Rio Blanco County, southwest of Meeker. The facility's first phase is expected to open this year.

Natural-gas production in the area has been increasing at a 20 percent annual growth rate over the past four years.

Exxon Mobil's gas operations are not yet comparable in size to Piceance Basin leaders EnCana and Williams Cos., but Exxon Mobil is growing.

"My understanding is that Exxon Mobil has plans to have a gas-processing capa-

bility in that area and expand it over time," said Brian Macke, director of the Colorado Oil and Gas Conservation Commission.

Local government officials and industry observers said they haven't heard from Exxon Mobil about the facility.

"They haven't been very communicative with us," said Rifle Mayor Keith Lambert. "We're not really sure what they're doing."

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