Innovation:
- Old ideas in unexplored basins
- New ideas in mature basins
- Borrowed, new ideas and new technologies everywhere

Barry Goldstein
Executive Director – Energy Resources
South Australian State Government
Department for Energy and Mining
Key events – upstream O&G in South Australia, 2014-18

Oil price collapse drives productivity gains

Forecast for 2019 – 20:
- Royalties for regions implemented
- Offsh Bight exploration
- Onsh Otway exploration, discoveries and production
- Discoveries in existing, and new plays in the Cooper-Eromanga
- Productivity gains

Grouped PRLs 2014
PRL fees reduced 2015
The Act fees pay for co-regulation 2015
Cooper Basin Aboriginal participation forum 2015
Call for PACE Gas grants 2016
APPEA opens SA Office 2016

PACE Gas grants 1 in Otway & 4 in Cooper 2017
Beach open office in Penola 2017
GISERA starts in Otway 2017
PACE Gas grants – 2 in Otway & 2 in Cooper 2017
PACE Gas grant supported Haselgrove 3 find gas 2018
C’wealth Gas Acceleration Program 2018

Moratorium on frac. stim. in the Otway
Grouped Petroleum Retention Licences (PRLs) enable explorers to drill the best prospects first while assuring a multiple of investment above the present value of winning bids for ever smaller licences. This sustained investment when the price of oil fell in late 2014.
Plan to ACcelerate Exploration (PACE) Gas at a Glance

23 applications from 15 companies; 9 projects target unrisked 217 PJ with 1,957 PJ follow-up potential. A$271m from industry + $48m PACE grants

- A$5.82m – Senex/Santos Cooper Basin PE and Vanessa pipelines; status: gas to market
- A$6.00m – Beach Energy Otway Basin Haselgrove #3 exploration; ☀ GAP grant
- A$2.00m – Strike/Australian Gasfields Cooper Basin deep coal pilot. in progress
- A$3.96m – Santos/Beach Cooper Basin re-frac stimulation; status: gas to market
- A$6.00m – Santos/Beach Cooper Basin underbalanced drilling; status: gas to market
- A$6.89m – Senex Energy Cooper Basin Gemba 1 exploration; install 2Q19
- A$5.26m – Beach/Cooper Otway Basin Dombey 1 exploration; ☀ drill 1Q19
- $4.95m – Vintage/Rawson Otway Basin Nangwarry exploration. drill 1Q19

Current PACE gas project status:
- 4 to 5 TJ/day already producing in the Cooper Basin (more expected); and
- Expect to see gas production resurrected in the Otway Basin by YE19
Fraser Institute O&G 2017 survey rated South Australia:

- best oil and gas jurisdiction in Australia;
- best oil and gas jurisdiction its Oceania region;
- best oil and gas jurisdiction in the southern hemisphere;
- 3rd best in world in South Australia’s reserve category; and
- 10th best in world for attractiveness for investment for exploration and development.

2018 survey results expected in Nov-Dec 2018
REALITY

Trust is the most important lead factor and lag outcome

A 10–year moratorium on hydraulic fracturing (fracture stimulation or fracking) has been legislated for the Limestone Coast Region in the South East of South Australia.

Communities and special interests will be heard.

Industries and governments have a key role in supporting informed perceptions within communities and Parliaments.
It is no longer enough for those entrusted to steward projects (within industry and government) to be just technically focused. Experience demonstrates that an understanding of cognitive bias is helpful in being empathic during consultation with people potentially negatively affected by any particular project.

Reality: Must learn to cope with controversy

After Peter Sandman and FutureEye
A directions paper, a strategy and an expanded roadmap for onshore and offshore oil & gas is planned.

All will be informed by the roundtable for oil and gas which includes: industry; governments; peak representative organisations for industry, environment protection and aboriginal people; research institutions & individuals. This roundtable currently has >2250 members from >1150 organizations.

See:
Roundtable for Oil and Gas Projects
Friday 23rd November 2018, Adelaide Oval

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