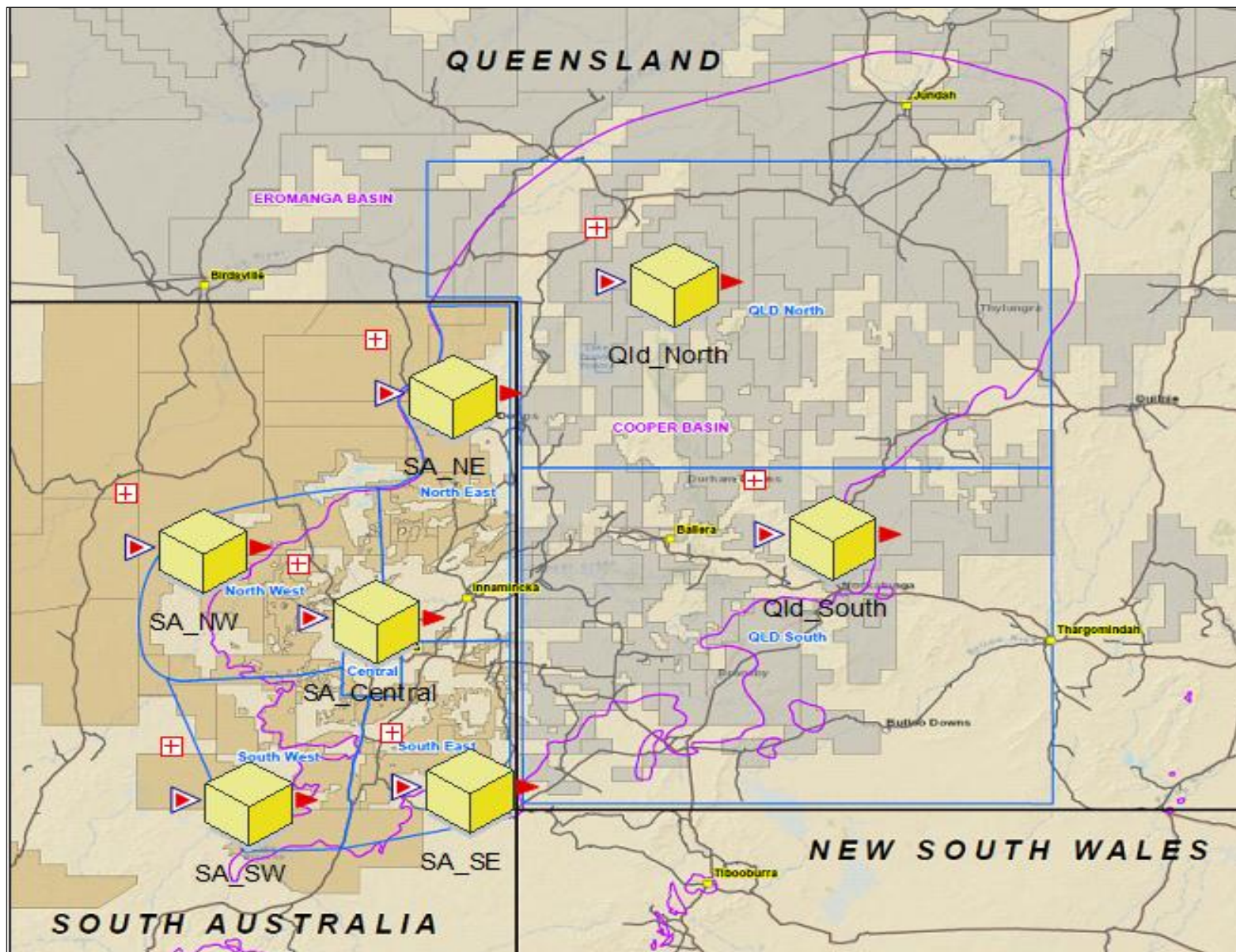


# DSD Water Roundtable Update



# Water Roundtable Charter

## Purpose:

- Form stronger links between operators and the water industry
- Provide a platform for open discussion between operators, industry and government

## Water Study Project fits this Charter:

- Useful to ascertain tangible water opportunities for the water industry
- Has developed a closer working relationship between operators
- Encouraged sharing of resources where possible – for improved efficiencies

## Forward Plans:

- Utilise results to deliver improved, innovative water management practices
- Extend involvement in Working Group #3 to the wider water industry





# Activity Timeline

November 2013 - First meeting of the Water Roundtable

- Santos, Beach and Senex Reps plus DSD, ICN and other regulatory departments
- **Proposal: Complete a Cooper Basin Water Supply & Demand model by YE2014**

February 2014 - Second meeting of the Water Roundtable

- Santos, Beach and Senex Reps plus DSD, ICN and wider audience of other departments
- Water Study agreed as Target Action for Working Group in 2014

April 2014 – Operator only meeting to discuss water model details

- Addition of Drillsearch representative along with Santos, Beach and Senex
- Agreed general data gathering requirements and operating areas for scoping water study

NOTE: Decision that inclusion of service providers in Roundtable was premature prior to study results

# Activity Timeline

## May 2014 - Funding Confirmed

- DSD confirmation of funding for water study to commence from 1 July 2014
- CSIRO and Qld DNRM approached and agreed to provide study Peer Review
- Model to be developed by independent consultant and funded direct by DSD
- Request for Study Proposals sent out
  - actively targeted service providers who had registered interest in the roundtable working group

## July 2014 – Study Commenced

- Kick off meeting with Golders, DSD and Roundtable Industry Lead
- Data gathering template and model structure review with Golders and Operator Reps

## October 2014

- Operator data submitted, model complete and report in review stage

# Achievements in 2014

## Roundtable Working Group

- Set a precedence that Operators and Regulators can work together to achieve a tangible result
- Has established a network for continued working relations
- Success doesn't require huge time commitment or a heavy meeting calendar
- DSD willingness to fund projects to the benefit of water efficiency opportunities

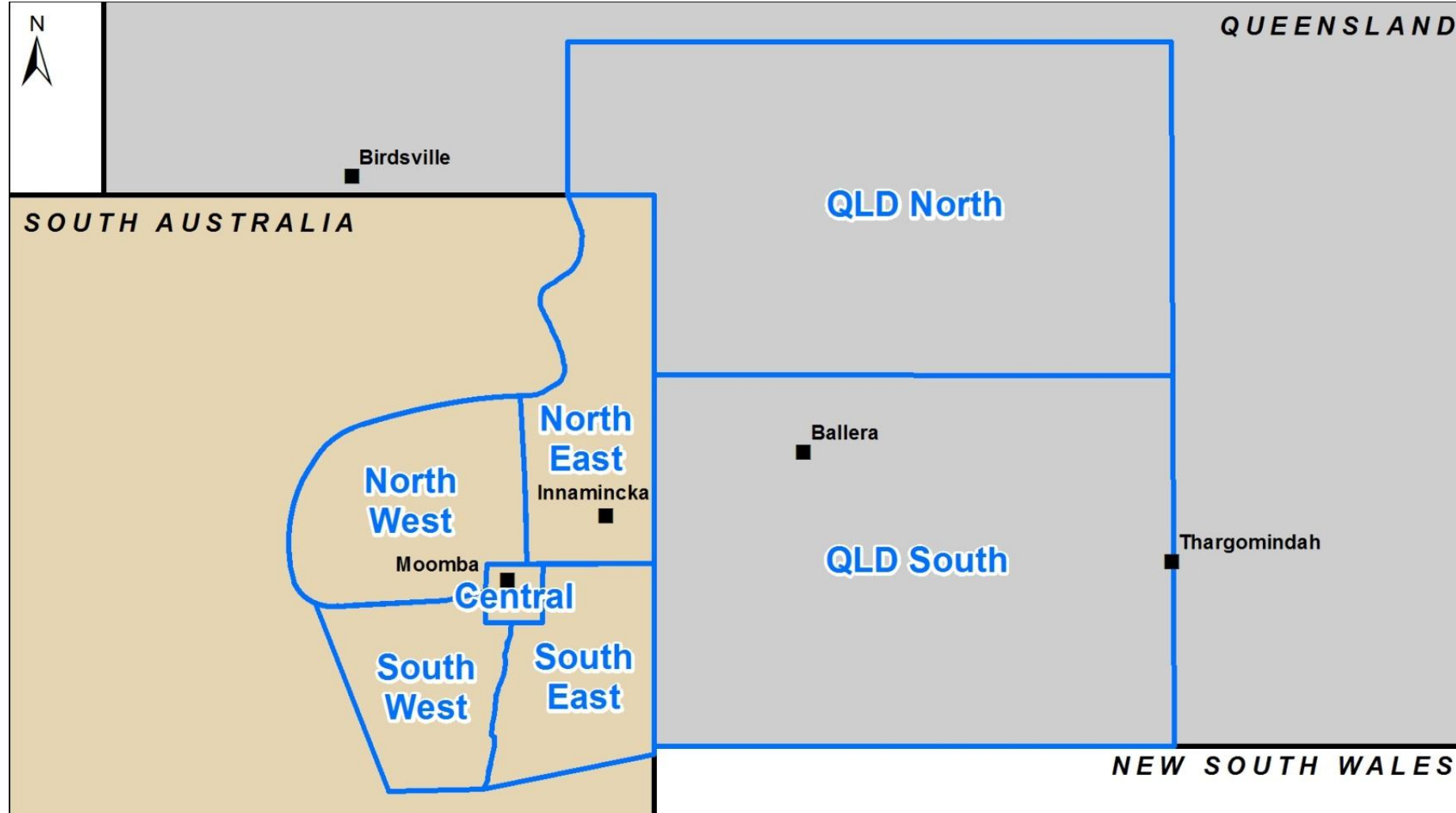
## Water Supply & Demand Model

- Under final stages of development
- Early results show an overall surplus of water in the industry and provides insight on demands
- Sets a foundation for future improvements in data quality and collaboration initiatives

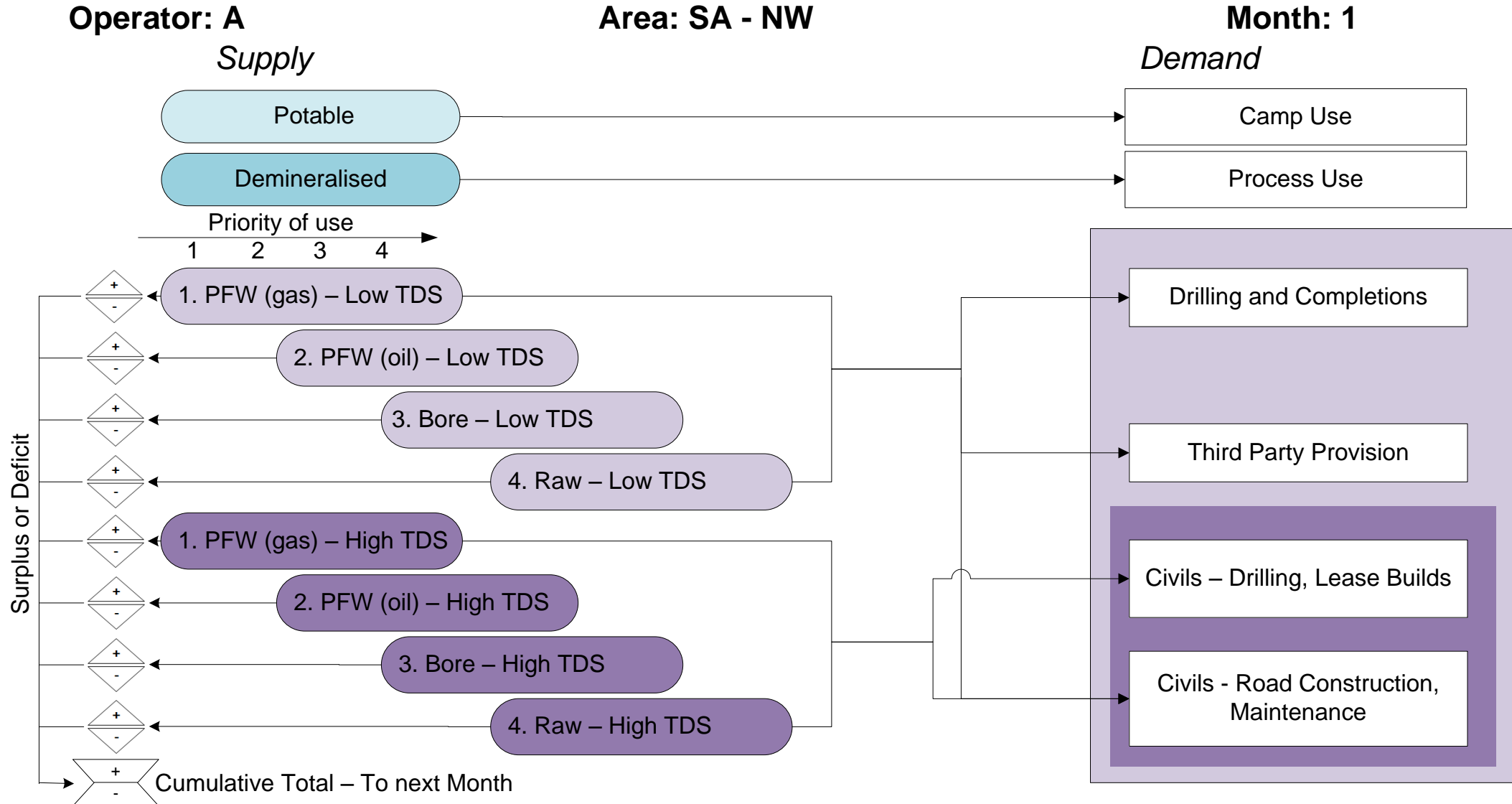


# Water Study

Operational Areas – 5 in South Australia and 2 in SW Qld

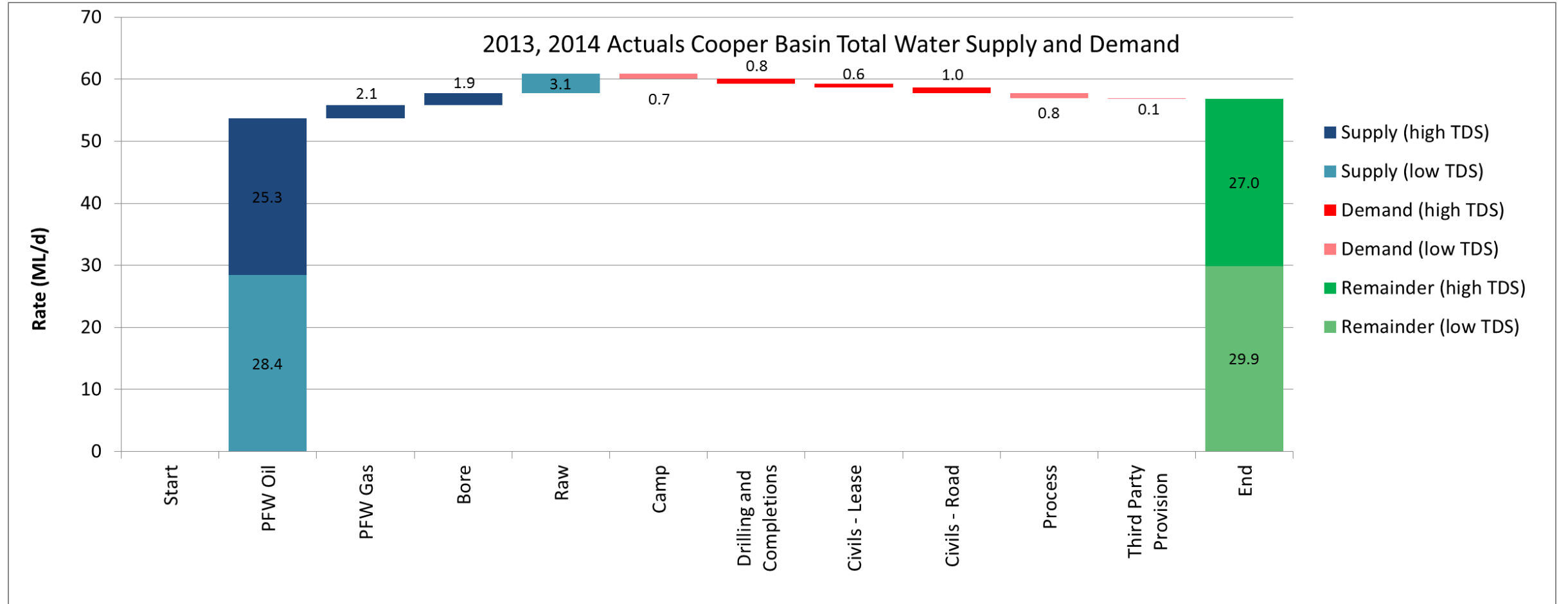


# Conceptual Representation of Study Components





# Total Water Supply and Demand



# Water Study Results

## Total water extraction for the Cooper-Eromanga Basins

- 6 of the 7 defined Operating Areas have more than one Operator in practice
- Demand for water is currently ~6% of total extraction
- South Australia's component of 2014 extractions is ~65% of the 60ML/day industry allocation
- By 2016, extractions are expected to grow by 28%, and demand grows to reach ~15%
- The greatest extraction quantities are from PFW (oil)
- The greatest demand now and in 2016 is for drilling & completions, growing by about 4 times
- Area of largest change in excess is North West South Australia
- There are opportunities to improve water use within water quality constraints

# Collaboration Learnings

Roundtable Panel Session