

drilling deep



The Good Oil Conference attracts most of the junior oil and gas operators in Australia, but it also has major appeal for 'outsiders' - people indirectly involved with the resource sector. Financial institutions, bankers, the stockbroking fraternity and major infrastructure groups are all avid attendees at the conference. This month's *Drilling Deep* talks to one of those delegates...

... A trip to Fremantle for the Good Oil Conference proved beneficial for Melbourne man Geoff Widmer

Studying the juniors up close

Melbourne management consultant Geoffrey Widmer likes to talk Business, particularly the energy business. And he's eminently qualified to do so. But for two days recently he was happy to just sit and listen.

Well, maybe not for the whole two days as there was a fair bit of 'networking' involved, but the Good Oil Conference at Fremantle's Esplanade Hotel was an important event for all concerned.

"The conference was a terrific forum for understanding current issues and seeing where important technical and commercial matters were heading for at the smaller end of the market," said Widmer after the conference.

"A number of people I spoke to said they learnt a lot of things about the industry and I certainly did!"

"The quality of the speakers and their presentations was outstanding and their focus on a need to have a land position, prospectivity and infrastructure and markets all in one area was important."

"The realisation of these small companies that they needed to have a focus on cash-flow rather than just building assets was also interesting."

"It was an important update conference and people are now realising, for example, how influential coal seam methane is becoming as an energy source in Australia".

"Going to WA for the conference was certainly well worth the exercise. It was done in a professional way and at the end of two days you really got to see who the good players were."

Since graduating in 1970 with an economics and politics degree from Victoria's Monash University, followed by an MBA in general management and finance from Queen's University, in Canada, Widmer has worked as a financial analyst and commercial strategist

Much of his policy-making work has been with energy-related companies, including BHP, CPAir, Aquitaine, Santos and Powercor both in Australia and overseas.

Along the way, he has added to his qualifications with courses in risk assessment and management and business mentoring. He has also realised the value of being bilingual, becoming proficient in Spanish, a language widely spoken throughout the Americas and parts of South East Asia.

Now aged 52 and at a time when many colleagues are easing down, Widmer is just

warming up.

Based back in his home town of Melbourne, he has recently established Palliser Group Strategic Management Pty Ltd, a consultancy aimed at providing top-level commercial advice and solutions to clients in the increasingly high-pressure and results-driven Australian business environment

"There are dramatic changes occurring almost overnight now, fuelled by rapid advances in technology and globalisation and changes in taxation obligations," he says.

Widmer is not setting himself up as someone who can cruise in and say how a company should be run. Rather, he offers a project-related service within a company's activities.

"My focus is on the oil and gas sector," he says. "But the same business principles and corporate governance can be applied to a number of industries.

"Many petroleum companies in Australia are already lean and efficient operations and have no need for outside guidance in a macro sense.

"But there are areas where they might not be so accomplished, especially the smaller to medium-sized companies used to working alone and are unfamiliar with, say, the multi-use of facilities.

"In the Carnarvon Basin of Western Australia, for example, there are an increasing number of oil and gas fields being brought on stream and need to market via central processing facilities and pipelines that are shared between various groups.

"The legal arrangements, economic strategies and ownership obligations involved in negotiating and writing these product access and tolling agreements is very complicated, especially if they are overlain on the upstream side by fields that cross consortia permit boundaries requiring unification of two or more joint ventures."

Widmer says this is the type of situation where the Palliser Group can be of service.

He backs his claim with an infectious enthusiasm for the job and a work experience that spans the upstream energy sector, where there are long lead times and few customers, coupled with the downstream business which involves a huge number of customers and very short response times.