



Comet Ridge Limited



## Water Field Day

Barcaldine

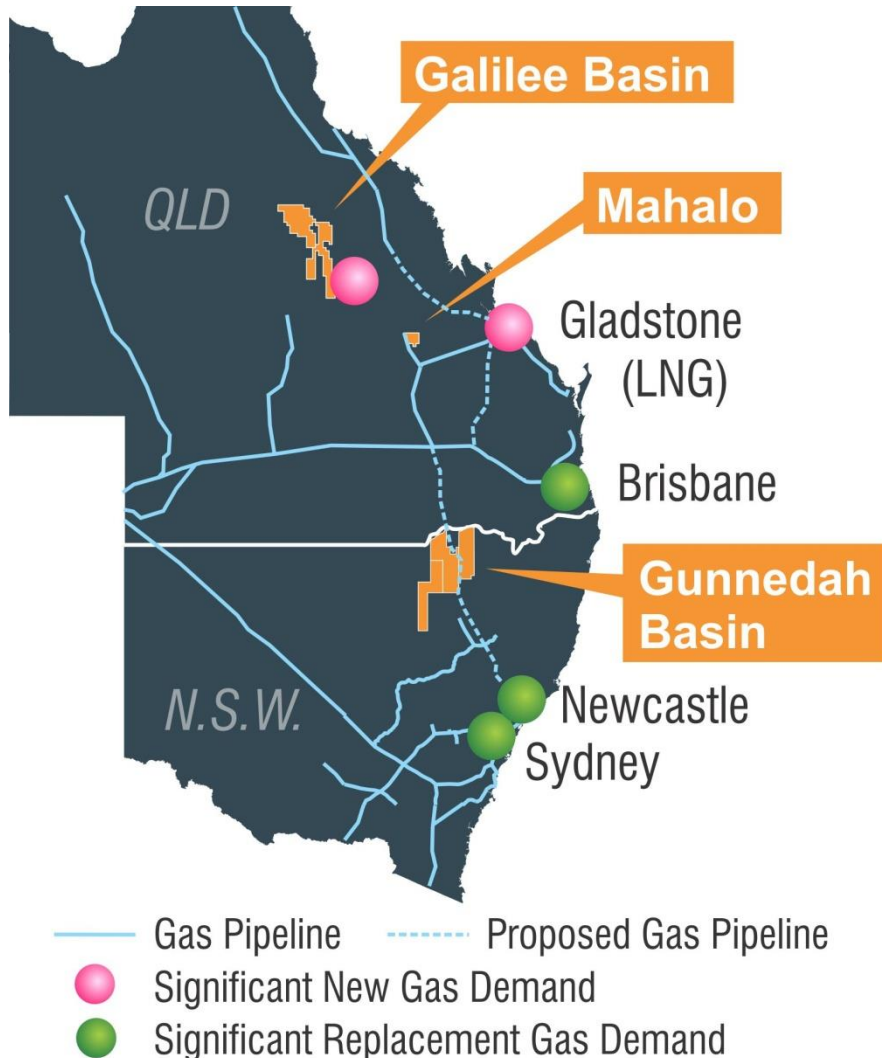
Thursday, 13 June 2013

[www.cometridge.com.au](http://www.cometridge.com.au)

# Company Snapshot



Comet Ridge Limited

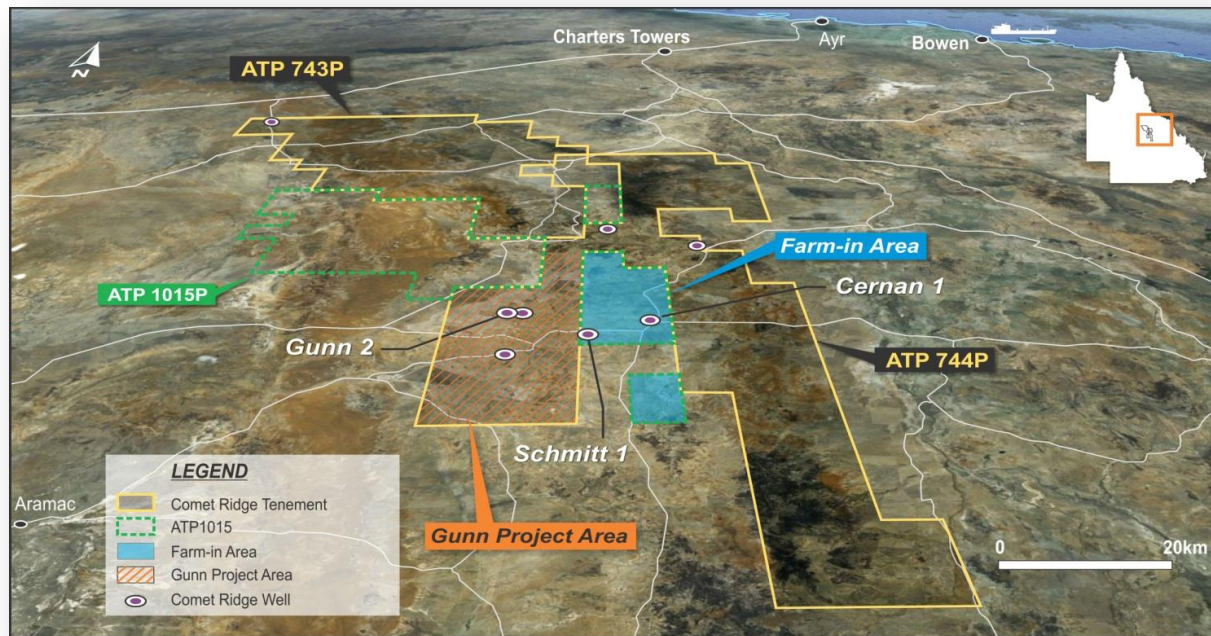


- **Upstream energy company** focusing on exploration and appraisal of CSG from its Queensland and Northern NSW assets
- **Exposure to significant upside** in basins where there is increasing demand for gas, significant new markets and prices moving upwards
- ASX listed and based in Brisbane
- Operational focus - **developing gas reserves** in a tightening east Australian gas market
- Comet Ridge also holds petroleum assets in New Zealand and 12% of a business based in Denver focused on exploration targets in the Rockies

# Comet Ridge Galilee Permits – Background



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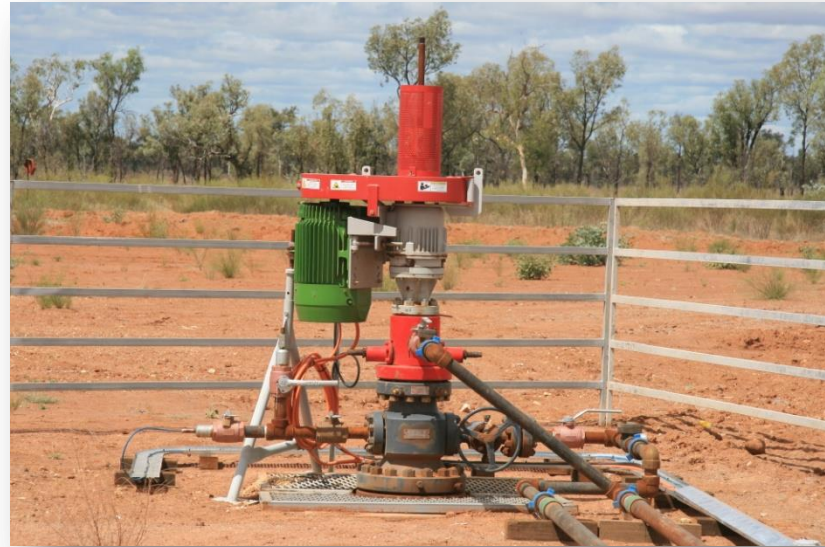
- Large area (~13,000km<sup>2</sup>) covering a big part of central western Queensland
- Permits held since September and November, 2009
- 8 exploration wells drilled since 2010
- 3 wells drilled last year –
  - Gunn – 2;
  - Cernan – 1; and
  - Schmitt – 1.
- 252 klms of seismic data collected in 2011

# Water Production Test



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- In October, 2012 Comet Ridge drilled the Gunn – 2 well in close proximity to Gunn - 1.
- Gunn – 2 was planned as an extended production test well
- The purpose –
  1. Test well completion techniques
  2. Obtain a quality water sample for testing purposes; and
  3. Obtain data on flow rates and permeability.



# Water Management Programme



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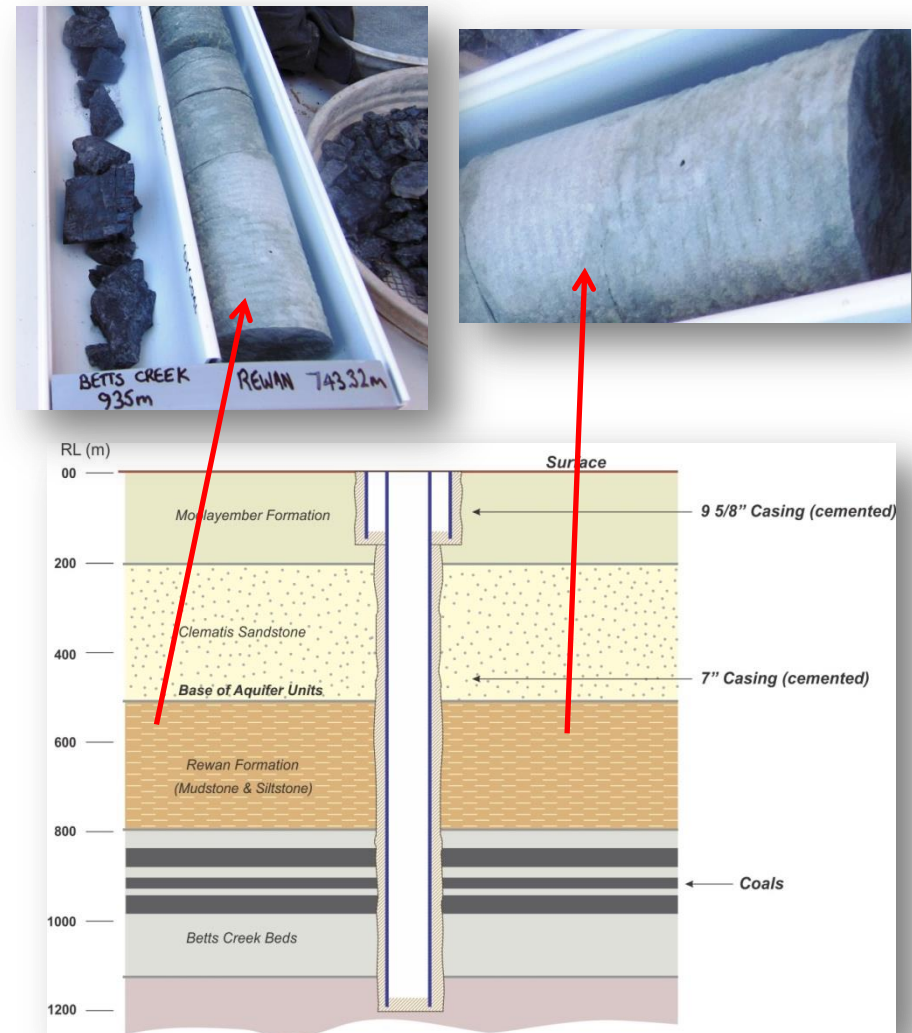
## Regulatory Requirements

- Comet Ridge is required to prepare a Bore Assessment Plan (*BAP*) and an Underground Water Impact Report (*UWIR*).
- The BAP has been prepared and approved. The UWIR is due for completion in late 2013 and work has commenced.
- In full compliance with the BAP, Comet Ridge has been progressively identifying, sampling and testing water bores within proximity of Gunn - 2



## Location of Coal Seam Relative to Landowner Aquifers

- CSG Explorers in the Galilee Basin are predominately targeting the Betts Creek Coal beds
- Within the area of interest to Comet Ridge (*the Gunn Project Area*), the Betts Creeks beds are located at + 800 metres sub-surface and below.
- Landowners, typically, access aquifers no deeper than 350 metres sub surface.
- Between these aquifers and the Betts Creek beds, is a 300 metre thick band of impervious mudstone (*Rewan Formation*).



# Water Management Programme

## Water Storage, Proposed Water Processing and Usage

- As has been indicated by other speakers, produced water must be appropriated contained.
- All produced water from Gunn – 2 is contained within large-capacity holding tanks.
- Water quality analysis reveals that minimal processing is required to achieve ANZAC standard for stock potability (*reduction of fluoride to below 2 mg per litre*).
- A water treatment trial is soon to commence on site.
- Ultimate intention to provide treated water to landowners for stock watering purposes.

