

# Stein sails back with Calima venture

**Fusion Oil & Gas and Ophir Energy founder** looks to repeat past success with **new company**

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**W**ELL known in the oil and gas world as a founder of Fusion Oil & Gas and Ophir Energy, Alan Stein is looking to repeat past success with his new ventures Havoc Partners and Calima Energy.

Born in Dumfries, Scotland, Stein studied geology and mineralogy at the University of Aberdeen before gaining his PhD in geology at Royal Holloway College in London.

Stein says he pursued a career in geology as he was not good enough at mathematics to do engineering.

"I wanted to be a civil engineer and get a job that was outdoors, travel the world, and my maths teacher laughed at me and said, 'you will never be an engineer,'" he recalls.

"I thought geology would be a job that would get me out of an office and travel the world. Well, I got one out of two. I travel the world, but I'm stuck in an office, with computer hands."

Those travels have taken him from the UK, where he started his career as a geologist with Dolan & Associates in the late 1980s, to Perth, Western Australia, where he now resides.

## Pride and joy

It was a love of sailing that drove him to Australia's sunny shores, a passion which he still pursues, owning two boats — Dirty Deeds and Cadence.

He admits Dirty Deeds is his main pride and joy, a race boat which he uses to compete in all the offshore races on the WA sailing calendar and has claimed second place in WA's main blue water event four years in a row.

Just as he gives a lot of credit to

the team he skippers on the Dirty Deeds for his success on the water, Stein is quick to heap praise on the team he founded Havoc with in 2014.

All five founding partners of Havoc were also involved in the creation of Fusion in the late 1990s and Ophir in 2004.

"It is a real pleasure to work with a team of guys that you can trust," he enthuses.

"You know everyone's strengths and weaknesses. You've been through the births, deaths, marriages together, and you can trust everyone's judgement."

"So, having a good team is a privilege."

There are some similarities between Fusion and Havoc. Both companies set up at a time when oil prices were taking a hit, but as Stein notes, the best time to create value is during a downturn.

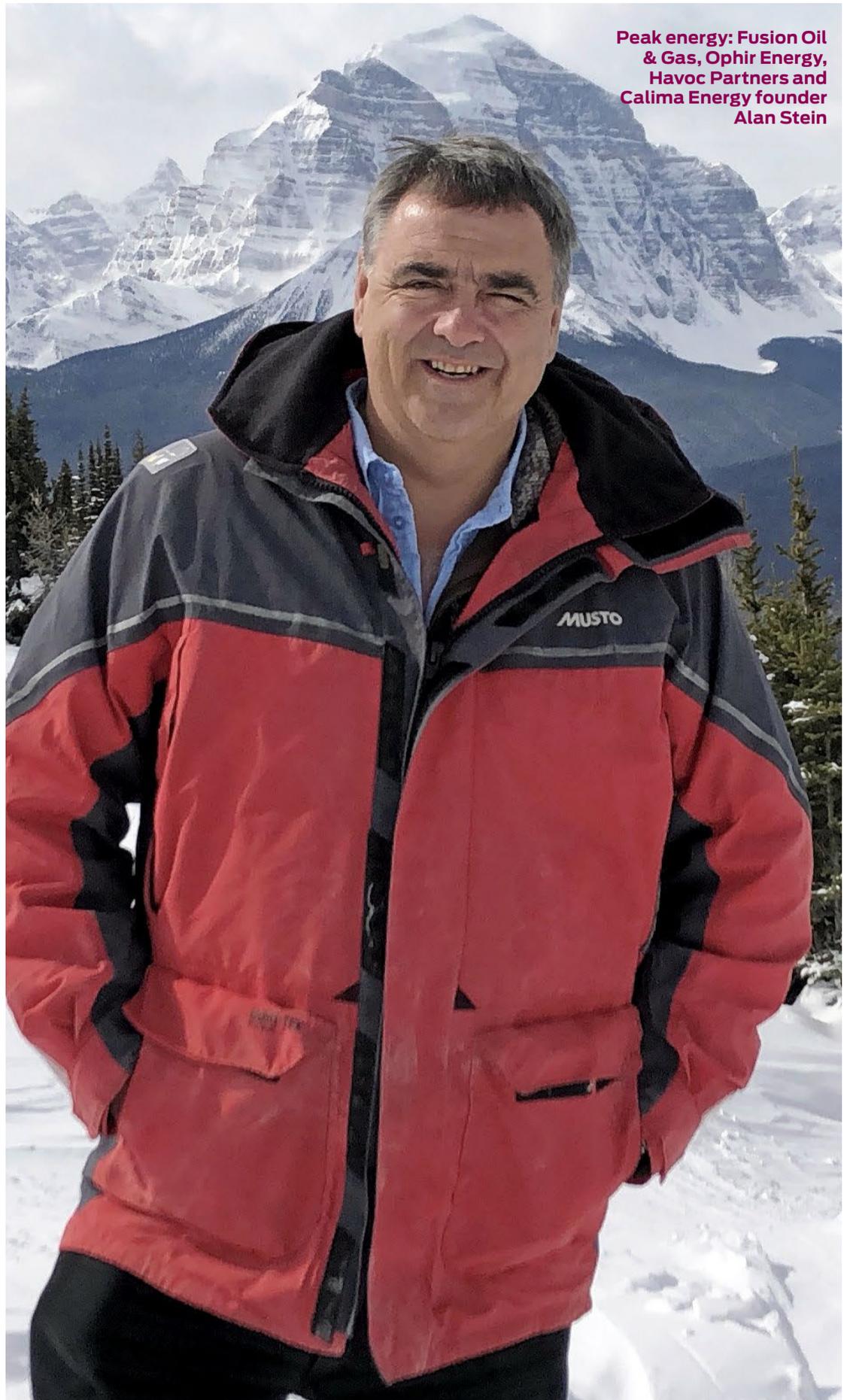
"There are more opportunities around, there is less competition, and if you can find the right opportunities that are within your means at the time you can use a bit of clever geoscience to try and create value," he says.

"Those down times are tough, and you've got to have pretty strong nerve to hold out, but things will turn around. So that's when you have to get busy."

Havoc gained a large acreage position in Canada's Montney shale play through its Australia-listed subsidiary Calima, where Stein serves as managing director.

The company was lucky to get into the Montney before acreage prices began to climb.

"There's a common theme in most of things that we've done, where we've been very fortunate to be successful in seeing opportunities that are just ahead of the mainstream industry, and that's



Peak energy: Fusion Oil & Gas, Ophir Energy, Havoc Partners and Calima Energy founder Alan Stein

mainly because we can't afford to go into where the mainstream industry is. Typically we don't have the capital to do that," he says.

"So, you have to look ahead of where the industry is and try and pick the right acreage by using your geoscience and then let the ripples catch up with you."

## Efficient theatre

Calima launched a three-well Montney drilling programme in December.

While Havoc's team have a proven skill for entering plays and bringing down drilling costs, demonstrated through their time at Fusion and Ophir, Stein says the Montney is already a very efficient theatre of operation.

"It's probably the most efficient theatre that I've ever been involved in, where there already is a very, very close focus on cost," he explains.

"Unconventional plays are more like an industrial operation where

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you have to get the unit cost down, and the guys who are active in the Montney are hugely impressive about how they handle costs.

"So, I don't think we can walk into the Montney and operate more efficiently, the guys are already very efficient. All we can hope to do is try and match their efficiency."

While most would expect Stein's highlights from his career to be the large discoveries he has been involved in, it is actually during the building of a company where he appears most in his element.

"Ophir was tremendously successful, but as it grew and became

more and more successful, it became less interesting," he explains.

"The challenge had gone, the living on the edge, the sort of esprit de corps, it just left. And that was why I made the decision (to leave)," he says.

Stein now finds himself back in his element, surrounded by a familiar team that he trusts.

"Coming together to do Calima, starting from scratch, clean sheet of paper, small capital and to build that up now, that's what makes you get out of bed in the morning," he adds.

"When you are in the foxhole, you know who is going to be there."



Flying start: Stein with one of his racing boats

Photos: ALAN STEIN