

GAS WATCH 31.

FIVE more core holes approved – 2 through the Wollombi Brook alluvials – ignoring concerns of the community.

During April this year Sydney Gas let us have a copy of the Review of Environmental Factors they had prepared for a further five core holes. Whilst the law, as it presently stands, doesn't provide for community input into the approvals process, nevertheless we studied the document, believed that it was lacking in a number of areas, and we put a number of questions and comments to Sydney Gas, and copied that to the approving government Department.

These questions and comments are set out below.

There was no response from Sydney Gas. There was no response from the Department. We were ignored.

And then on 27th May we received an email from Frank Krstic, the General Counsel of Sydney Gas, advising that approval had been granted for each one of the 5 coreholes.

What is the point of us even being supplied with a copy of the REF prior to approval if nobody is going to take any notice of our concerns.

We believe that the approval for the 5 coreholes was granted on a flawed REF. You should be able to read the REF on <http://www.dpi.nsw.gov.au/minerals/environment/nod/petroleum> but the Department hasn't put the approval on its site yet. Again, this is totally unacceptable. Sydney Gas claims it has approval, yet you can't confirm it or study it on the Department's own web site. Keep an eye on the site. Surely the Department will put it up eventually. Then. What questions would you have asked? What concerns do you have? Let us have them and we will put them to the Community Consultative Committee and to the Department.

Two of the approved coreholes go right through the water tables or alluvials feeding the Wollombi Brook (even though the Brook wasn't identified in part of the REF and merely called "a creek"). The danger of losing water from those alluvials is one of our most serious concerns, even though the new CEO of Sydney Gas said on local radio that we were concerned about our "tranquillity". They just don't get it do they. Tranquillity is one of the matters we have mentioned, but there are many more serious matters than that.

The approvals for the coreholes at Wollombi and at Paynes Crossing have been granted notwithstanding there has been no consultation with the communities in those areas. Community consultation must take place prior to approval. There was no claim in the REF of community consultation, yet approval still took place.

We have given Sydney Gas a way forward, have been discussing that for nearly a year, and it appears we may well be back where we started from.

Our way forward is based on the fact that at least 70% (probably more, we are still working on that) of the surface area of the Broke/Bulga/Fordwich/Milbrodale region is prohibited from exploration under the provisions of the Act in that the infrastructure, eg homes, sheds, dams, waterways, orchards, vineyards, etc., have legislated set backs. Sydney Gas have agreed with this percentage.

We thought we were building up a trust with Sydney Gas, but we're not so sure now. They seem to have reverted to type.

We have just received a response from Sydney Gas to our questions. We will analyse them and provide them, with comment, in the next GASWATCH.

Lastly, call us cynical, but why was the April meeting of the Community Consultative Committee put off until July? Anything to do with this approval going through? No, probably not.

If you are approached by Sydney Gas, or someone on behalf of Sydney Gas, or by Scott Black, or by Colin Stace, or Andy Lukas, or by Liz Flaherty, we urge you to contact HB GAG for free legal advice in relation to Sydney Gas, particularly if they approach you seeking to drill on your own property.

DO NOT LET SYDNEY GAS, OR ANY GAS EXPLORER, ONTO YOUR PROPERTY.

THEY HAVE NO RIGHTS TO ENTER WITHOUT YOU SIGNING AN ACCESS AGREEMENT.

Do you want drilling rigs next door?

Do you want pipes conveying gas through or adjacent to your property?

Do you want Sydney Gas drilling under your property, which they can do without your consent if they are drilling next door?

Do you want a gas production plant covering acres of ground in our area?

Well, do you? They can do all this, and more, if landholders start to sign access agreements.

Hunter Bulga Gas Action Group Inc. PO Box 120, BROKE 2330
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QUESTIONS AND COMMENTS TO SYDNEY GAS AND TO DEPARTMENT SENT PRIOR TO APPROVAL AND NOT ANSWERED UNTIL AFTER APPROVAL.

1. You say you are to drill another 5 coreholes within PEL 267. Are you also required by virtue of their PEL to drill a minimum number of coreholes in PEL 4 and, if so, where and when it is proposed to drill those coreholes;
2. Are any of the proposed 5 coreholes to be drilled through aquifers, alluvials or water tables; it does appear that both the Paynes Crossing and the Wollombi core hole sites intersect groundwater. If so, are you relying on your earlier Hydrogeological study which does not appear to extend to Wollombi or Paynes Crossing.
3. Why are landholders names kept secret (page 2). If they were included in the document it would save us the cost of a title search to identify the landholders, a simply exercise but costs us the search fee.
4. Are the Access and Compensation agreements only in relation to a corehole or are they agreements which also provide for access and compensation for any type of well being drilled in the future?
5. On page 3 it is claimed that "All proposed sites have been chosen due to: Minimal clearing requirements; minimal earthwork requirements; and ease of access for the proposed drilling and subsequent rehabilitation activities." Why weren't there other considerations, eg: groundwater, air quality, community affectation, social impact, etc. Even though those

matters are somewhat addressed in the document, one would have thought that they would have been one of the initial considerations for choosing the sites.

6. Is the “creek” referred to on page 4 in fact the Wollombi Brook.
7. On page 13 it is articulated that the site of the Paynes Crossing site was moved to avoid “potential impacts on this wetland area”. What were those potential impacts and how does the moving of the site 15 to 20 metres avoid them?
8. On page 13 it is revealed that an existing wooden bridge structure would be used and a “transferable bridge” used over it. Is this wooden bridge over 50 years old and therefore a “relic”? What information has been given to the Heritage Council in relation to the use and temporary alteration of this bridge? What steps are being taken to ensure that this bridge will not be damaged by the temporary alteration? What steps are being taken to ensure that the bridge will not be damaged by heavy vehicles crossing it?
9. What community consultation has occurred with the Wollombi community in relation to the corehole sites at Paynes Crossing and Wollombi. There does not appear to be any reference to this in the REF.
10. On page 16 the comment is that “the proposal.....it is unlikely...would represent any adverse environmental impacts”. How unlikely is it. What are the possible environmental impacts which are unlikely to occur?
11. On page 16 it is stated that “wastes....disposed of in a sustainable manner”. What are the wastes referred to? In what way is the disposal of the wastes to be sustainable?
12. On page 17 it is stated that: “it is unlikely that coring would impact on groundwater or surface water resources in the area due to the proposed nature of the activities”. How unlikely is it? In the event that there is an impact, however “unlikely”, what remedial steps are available. In the unlikely event of an impact on the flow of the Wollombi Brook, what remedial steps are available?
13. On pages 17 and 18 there is reference to stakeholder consultation. Responses to these matters have previously been made by members of the public, including the sham of the “open days”, the ruse of the “focus group” (in respect of which a promise was made that the results of the “focus group” would be published in the Singleton Argus and they never have been, nor has the public been informed of those results in any fashion); the information sheets were not broadly published; the Wollombi community appears to have been ignored; and in addition there was significant objection (including ground and surface water, tranquillity, property values, etc) notwithstanding the claim that “No significantly objections were recorded”.
14. On page 19 in relation to both Wollombi 01 and Paynes Crossing 01, it is stated that the proposed core sites are “on alluvial flats”. It is of significant concern that drilling should be taking place on alluvials upstream of Broke and Bulga with the consequent risk to the flow of the Wollombi Brook, particularly when it is claimed in the REF on page 17 that it is only “unlikely” that the coring would impact on groundwater or surface water. Can you confirm that, categorically, there will be absolutely no impact on the groundwater or the surface water as a result of core hole drilling, as a result of exploration well drilling and operation, and as a result of extracting well operation.
15. Page 53 refers to Cumulative Environmental Impacts. This does not address the cumulative impact in the valley. The reference here is only to other Sydney Gas Operations. The cumulative impact statement should refer not only to Sydney Gas operations, but also to other operations within the valley, including coal mining and military activity. This is just another reason why there should be a full Environmental Assessment at the core hole stage, rather than leaving that Assessment until the test drilling stage. Sydney Gas should provide a proper Environmental Impact Statement, particularly having in mind the amount of activity in the valley. It is noted that with development applications by coal mines that the cumulative impact of all other mines and all those impacts referred to above are all addressed. Can you provide a proper cumulative impact statement?

16. Appendix F relates solely to the HC 3 at Bulga and does not address the 5 core holes subject of the REF and this should be rectified.

FURTHER MATTERS.

On 29th April, 2008 Andy Lukas was interviewed on the ABC Country Hour. He said that there appeared to be a lot of gas in the coal and that the exploration results so far are “very encouraging”. He also said that it takes a couple of months to analyse the results.

Exploration, including exploration wells, earlier core holes, seismic, etc., were conducted much more than a couple of months ago, yet no results are being released by SGL. Why not? Will you provide us with the results of the core hole samples taken from Core Hole 3? Will you provide us with the results of the exploration wells on the Rogers property and the other adjacent property? Will you provide us with the results from the seismic survey?

Secondly, Andy Lukas, when asked whether or not there were any community concerns, said that some people in the Hunter are worried about their tranquillity. In reality the people of the Hunter are not only worried about their tranquillity, but desperately concerned about groundwater, surface water, noise, dust, flaring, rural ambience, visual impact and land values.

Thirdly, Andy Lukas said that SGL will need some pilot wells running for a couple of months, and further in the SGL 3rd quarter Activity Statement, it is stated that planning and engineering is underway for 4 “production pilot wells” in the Hunter.

In relation to these “production pilot wells”

1. What are they? Are they also what are known as “exploration wells”?
2. Precisely where is it proposed to drill these wells?
3. Have Access and Compensation Agreements been signed in respect of them?
4. Being wells, is a full Environmental Assessment required? If so, has that Assessment been prepared and can we be supplied with a copy?