



File: 09/4500

Mr Tim Donnan  
Environmental Manager  
Eastern Star gas Limited  
Level 7  
51 Pitt Street  
Sydney NSW 2000

Dear Sir,

**PAL 2: Approval to conduct Narrabri Coal Seam Gas Project  
Bibblewindi Lateral Pilot – Shield Laterals Supplementary**

In accordance with Condition 2 of PAL2 granted under the provisions of the *Petroleum (Onshore) Act 1991*, the titleholder is hereby granted approval to conduct the Lateral Pilot Gas and Water Gathering System, subject to the conditions set out below. These conditions relate specifically to this approval. The conditions are in addition to those previously attached to PAL2 and prevail to the extent of any inconsistency. A breach of these conditions is an offence under the *Petroleum (Onshore) Act 1991*.

**CONDITIONS**

**General conditions**

1. The works must be carried out at the location(s) and in accordance with the methods contained in:

Review of Environmental Factors – Narrabri Coal Seam Gas Project –  
Bibblewindi Lateral Pilot – Shield Laterals Supplementary– PAL 2,  
Gunnedah Basin, New South Wales

**Security**

An additional security of \$80, 000 for activities associated with this approval is to be lodged with the Department prior to the commencement of the activities. You will be contacted regarding the lodgement of this additional security.

Should you wish to discuss any details of this approval, please contact Tim Carroll directly on (02) 6571 8721

Yours sincerely,

Richard Sheldrake,  
Director General

Date: 20.7.09