

MEETING MINUTES

11 December, 2013

Minutes: Santos Community Committee -Narrabri Shire
Wednesday, 11 December 2013
Exhibition Room - Crossing Theatre, Narrabri

Attendance: David Ross (Chair), Tony Pickard, Victoria Hamilton, Ian Duffy, Annie Alexander (Santos), Annie Moody (Santos), Ken Flower, Ron Campey, Terry Hynch, Michael Guest, Brendan Warnock, Rob Chamalaun (Santos), Peter Michelly (Santos)

Apologies: Jon Maree Baker, John Tough

	Discussion	Action/By Whom
1. Welcome, apologies and introductions	The chair opened the meeting at: 5.37pm Chair welcomed committee. Introduced Santos Representatives: Rob Chamalaun , Peter Michelly	
2. Previous meeting's minutes	Amendment - Committee member would like clarification of the location as marked NAR7059_SUR_W – Action now completed by Santos Amendment - 850 wells being put down by Santos as communicated by Glenn Toogood at previous meeting. Santos committee members note that this is a maximum of 850 wells. Chair confirmed with committee members that minutes from the last meeting were reflected as was discussed and accepted with amendments. Agreed by all present.	
3. Santos proposed activities and the local economy – presented by Peter Michelly and Rod Chamalaun	Narrabri Gas Project – Our plans to develop natural gas for New South Wales (December 2013) <ul style="list-style-type: none"> • Plan – vision statement about what we hope the plan might become; currently in exploration phase • Page 2 - Summary About Santos • Page 3 – a balanced energy solution – fossil fuel mix 30% energy needs is gas; reserves certified 	

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	Discussion	Action/By Whom
	<p>by independent parties and we know it's here; supply NSW for 10+ years; regional benefit funds and employment opportunities</p> <ul style="list-style-type: none"> • Page 4 – map of the Pilliga and current activity; work program approved by the Government to put plan together to make it happen; publishing bore readings; 3,500 hours of ecological studies completed so far; there are numerous processes for the continuation of community engagement. • Page 5 - Vision into the future of what might be – 1400 petajoules of gas available – activity occurring within the orange polygon (see map) of 98,000 hectares; <ul style="list-style-type: none"> ○ Santos will be drilling up to a maximum of 850 wells; ○ To conduct this drilling at approximately 400 surface well locations are being considered; ○ Santos are likely to clear a maximum of 900 hectares of the 98,000 hectares within the orange polygon; ○ Need to consider the viability of a gas pipeline to follow the Newell Highway to Sydney or to go east of the National Park and down to Coolah; either way, a pipeline south is required. • Page 6 – the coal seams start between 700m to 1000m; <ul style="list-style-type: none"> ○ The drilling process will be through the Pilliga sandstone and through the aquifer layers; then put conductor in, through it, then pump concrete in to cement pipe in place; drill through the bottom of pipe and put steel casing down to pump further cement to the surface; cement is engineered, vibrated in situ, held under pressure until it sets and tested for the bond between the casing and the cement; ○ Santos is confident that the drilling through to the coal seam will not affect shallower aquifers in the sandstone. • Page 7 – 200 people are currently employed; spent \$24 million in Narrabri; <ul style="list-style-type: none"> ○ 1200 people will be employed in the next 2 to 5 years as part of the development phase; ○ Training, maintenance and infrastructure spend – \$160m; taxes also paid • Page 8 – working with landowners: Santos will not go onto a property without an invitation from the landowner; 	

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	<ul style="list-style-type: none"> ○ There needs to be mutual agreement for Santos to want to work with the owner and the owner wanting to work with Santos; ○ Wells last 20-30 years; farm management plans are put together and compensation paid to 120% value of land value in first year, 60% of land value thereafter and \$30,000 each year as Services Fee; ○ Santos are working on reaching agreements with Native Title parties and claimants ● Page 9 – covered ● Page 10 – 3,500 hours research completed with samples collected; documented number and location; avoid areas of biodiversity; Santos will use existing clearings where they can; shrink drilling pads and working to reduce them; ● Page 11 – groundwater modelling; Namoi water study modelled 8 coal seam gas developments and Santos is planning one; <ul style="list-style-type: none"> ○ Santos provided the following scenario: if they carried out 8 developments it would have less than 50cm impact on aquifers – small effect; on average a development takes 1.5 gigalitres per annum from the lower aquifers, which is equivalent to growing 350 hectares of irrigated cotton annually; ○ Santos expect the effect on the water table to be relatively small; ○ Modelling has been through CSIRO for review; ○ Drilling groundwater modelling bores (8 drilled in 2013 with 8 to be drilled next year) – water data from these bores is available on the Santos Water Portal; ○ Santos are also measuring some privates bores and will also publish these results if have landholder agreement; ○ Baseline air quality studies are also being completed with the University of Adelaide. ● Page 12 – water comes up 1/3 or 2/3 brine of seawater – reverse osmosis plants commonly used in coastal areas for water to be converted to drinking water; <ul style="list-style-type: none"> ○ Santos plan to return water to potable standard; ○ Santos has had a request to put it into Yarrie Lake for recreational use but this is not confirmed; ○ 80% of water into the plant will come out as usable water; producing 1.2 gig of usable 	

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	<p>water per annum;</p> <ul style="list-style-type: none"> ○ The salt from RO plant can be used for various uses and will be the subject of further studies for uses; ○ The worst case is Santos will send the salt to landfill = 70-100 t of salt per day; in context of providing 50% NSW gas needs this level is not really significant relative to other landfill completed such as salt from the Murray Darling Basin or Sydney landfill generally. <ul style="list-style-type: none"> ● Page 13 – Santos needs to continue to appraise the pilots in the next 4 years and complete the Government assessment, 2 year build period; <ul style="list-style-type: none"> ○ Community engagement will continue throughout this process; informal and formal consultation as part of the process. ● Page 14 – bring together final parts; pipeline route, handling salt, articulated where known gas reserves are ; <ul style="list-style-type: none"> ○ Santos will talk with anyone living inside the orange polygon if there is mutual interested working together; ○ Santos states they can provide NSW with half the states’ gas need; ○ There will be economic benefits to the Narrabri Shire; ○ Santos aim to protect environment, water resources and local agriculture in the process. ● Page 15 – Request by Santos to receive questions and suggestions about the plan. <p>Rob Chamalaun was requested by the Chair to outline the economic side of the Santos plan. Rob introduced himself and communicated; he is responsible for the Santos Commercial and Economic Strategy.</p> <ul style="list-style-type: none"> ● There is a long way to go before Santos has a clear understanding of the full economic impact of the project. ● There will be local benefits with initiatives to support local enterprise and hire locally. ● Approximately \$25m has been spent by Santos in the Narrabri Shire in the last 12 to 18 months and this will increase throughout the development phase. 	

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	<ul style="list-style-type: none"> • \$4 billion - cost for the life of the current proposed Santos project. • Funds – landholder compensation regime has 2 phases (see details outlined under ‘Page 8’ from the presentation attached): <ul style="list-style-type: none"> i. Exploration phase (current and will continue for the next 2-4 years); ii. Production phase: share of profits from royalty pool (\$80m) over the life of the project; in addition to 10% of the royalties that are paid to the State Government; \$80m will be paid into a Community Benefit Fund, which will be matched by State Government, equating to \$160m; need to establish framework with Government and community to manage this fund for how it should be spent Eg. For infrastructure and local development • Santos communicated the processes needing to take place as part of the phases: environmental impact statement, social impacts and formal consultation will be needed for the lodgment of documents; intense period of data collection. • A Committee Member highlighted a Case Study which was completed by the University of Sydney in regards to the Economic Impact of CSG in Queensland and questions were raised relating to a similar impact occurring in NSW and the Narrabri Shire; Santos stated they would need to read the study before commenting. <p>QUESTIONS AND ANSWERS</p> <p>Q. In reference to an article in The Courier on Dec 3 2013, does Santos class the area around Yarrie Lake, out to the Five Ways, back to eastern side of Wilga Park as close to the Pilliga State Forest? A. Santos responded by clearly outlining it will only be operating in the orange polygon as outlined on the map provided.</p> <p>Q. Dewhurst 8 – 7 wellheads; on presentation shows 10-14 wellheads? A. 15 pilots and 1 bore hole has been approved; not drilling more than 15 wells and a bore hole</p> <p>Q. Committee member made comments about the confidence of Santos in regards to the drilling</p>	<p>Committee member to provide Santos with details of study, if required</p>

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	Discussion	Action/By Whom
	<p>process and water management (irrespective of the Government mandate they have) and how this will not get people on side, then questioned whether Santos could guarantee no leakage from the bores and wells?</p> <p>A. Santos replied stating the NSW State Government is confident about Santos. Questioned who the majority of people are confident? Santos iterated how they have to comply with the Legislation to drill a well in NSW.</p> <p><i>The following comments followed:</i></p> <ul style="list-style-type: none"> • Santos commented that no industry could provide a guarantee of a perfect model; • Committee member replied that they will not give up the only source of water that's here and wants that water to be ensured that it remains here. • Santos commented that numerous learned institutions have studied the water framework. Santos will solicit input from all parties. Comments and concerns will be taken into consideration and noted to the Committee member that they can respect your position but can't agree with it. • Committee member replied that Santos representative does not understand water and where it comes from in this region. <p>Q. Committee member stated that Santos has not woken up to the fact that every person west of the divide relies on groundwater and Santos says 'we are confident'. If you ruin it, where do we stand?</p> <p>Q. Santos responded by asking the Committee member to describe the circumstances under which you think this ruination will occur?</p> <p>A. Committee member response: contamination of water, sealing of wells, corrosion of bores and cement which may not happen for 10 to 20 years; end result is about putting down thousands and thousands of wells?</p> <p>A. Santos response: No, we are not talking about putting down thousands of wells. Santos has to ask for the maximum when going to conduct a project approved by the State Government. The maximum scale is 850 wells for this project.</p>	

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	<p>Q. Santos: How can you ask any industry to guarantee what will happen in 50 years? A. Committee member: Leave the bloody thing alone and clear out.</p> <p><i>Comments continued in relating to the process of drilling wells, the impact on water and the sealing on the well both vertically and of the laterals.</i></p> <p>Q. Santos: In relation to sealing the lateral well from vertical well, why does Santos need to seal it as it perforates into the coal so we don't want it sealed? Santos discussed process of drilling through the aquifer into the coal, doing nothing different than exists today.</p> <p>Q. Committee member: Why are you cementing from the top to the very bottom? A. Experimental ways of doing multilaterals – under impression only sealing off to first aquifer to the basin; drilling through side and cement work coming off at an angle.</p> <p>Q. Committee member: what's the guarantee you don't dislodge the area between the cement work and rock surface? A. Santos: Image layers and layers of rock where the rock is in contact with the coal in the aquitard – connecting the aquitard and the coal. It is still well away from the Pilliga sandstone aquifer. We don't need to seal where the laterals connect into the vertical. There is no casing on the lateral. We put in a slotted liner if it is collapsible. We are interested in being in contact with the coal as it is necessary to extract gas.</p> <p>Q. Committee member: In relation to contamination from the bottom to the top as a result of the lateral 1400 psi pressure at the bottom, with a tendency to find methane leaks to the surface, what's to stop the water under pressure finding its way up and into the basin and into the surface if there is a fault in the binding? A. Santos: Not subjected to weathering of concrete. The concrete is in the same environment as the rock around it.</p>	

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	<p>Q. Committee member: Comments made in relation to sulphate reducing bacteria- will it attack the steel pipe or cement work?</p> <p>A. Santos: Monitoring programs that systems are being maintained; using biocides.</p> <p><i>Chair called the meeting to order and reminded committee that Richard Creswell (SKM) had presented on this before and it had been discussed previously that he could come back to discuss this issue as the current meeting is about the economics of the project.</i></p> <p>Questions were raised by Committee members about well integrity.</p> <p>Q. If there is damage to the water how are you going to fix it?</p> <p>Comment made by a Committee member relating to drilling and how there is some exchange of fluids between drilling fluids and aquifers.</p> <p>Q. What is the amount?</p> <p>A. Santos: We have provided multiple speakers, papers, scientific evidence on water and drilling. We see no point in answering the same questions which have been asked and answered on at least three occasions previously. We are not going to revisit it. We are happy to answer new questions.</p> <p><i>Santos commented that they have logically gone through and addressed water, risk on bores and we should try and stick to meeting agenda. Santos is pleased they have moved a long way from Eastern Star Gas (ESG) vision to move gas to Newcastle then offshore. Santos is pleased to be given the opportunity to supply gas to NSW. Santos stated they know it is only a plan and would like benefits from gas realised in Narrabri as well as the gas being sent to Sydney as good for local economy.</i></p> <p><i>Santos is looking at a range of options for commercialisation and commented that there are options for off-take with businesses and communities on a high pressure pipeline.</i></p>	

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	<p>Q. Committee member commented that it would be nice for value-add to occur as part of the environmental and community impact statement and questioned what can be done locally with gas to increase regional employment?</p> <p>A. Santos: 1200 employees will be required for the construction phase. It will be set up locally so there is a need for available industrial land. We would highlight community money be spent to make land available for contractor set-up. Local contractors are favoured in the current phase and this will continue.</p> <p>Q: Committee member: In relation to gas projects elsewhere regarding using and maintaining roads, reserves and travelling stock routes, what are the payments and royalties?</p> <p>A. Santos: State owned land, fees as payable by each organization for purposes which the land is gazetted for; native title hasn't been extinguished.</p> <p>Q. Committee member: In relation to the Community Member Benefit Fund of \$80m, where is it to go?</p> <p>A. Santos: It needs to be for local regional infrastructure. Discussions haven't advanced to how it works or how it gets administered. We have asked for it to be focused on Narrabri in initial discussions with the NSW State Government. We would like to see discussion with Narrabri Shire Council and Santos to State Government for the funds to be spent locally. Needs to be done now. Definition of fund needs to occur. Santos has no interest in it being spent outside where Santos operates. Also noted it was \$80m from Santos and \$80m from State Government, equating to \$160m.</p> <p><i>Committee member commented there will be 6 to 7 councils fighting from around here wanting a slice of the money.</i></p> <p><i>Committee member commented about attracting industry and whether Santos could supply gas locally, which could see industry such as a fertilizer plant come to Narrabri.</i></p>	

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	<p>Q: Committee member: What is the cost of taking gas from here to Sydney? Can we subsidise gas here to attract industry? A. Santos: If industry can relocate to Narrabri it will probably save 10-15%.</p> <p><i>Committee member commented to keep \$80m here and the Government can spend the equivalent elsewhere.</i></p> <p><i>Santos commented there will still be 200 jobs maintained when fully functional post production.</i></p> <p>Q: Committee member: If the supply is relatively transient, is gas based industry relevant if the project only lasts for 20 years for example? A. Santos: 1427 petajoules are available now. It is difficult to establish numbers on resources. Economic plan for 20 years as a minimum is conservative. Over time there is likely to be more gas identified with exploration.</p> <p><i>Comments made about building infrastructure around gas and its viability and longevity in the community if it does not currently exist.</i></p> <p>Q: Chair: In regard to the indigenous community, describe the plan/vision for how they are to be given opportunities? A. Santos: First aspect is cultural heritage from Land Councils and ongoing discussion with Native Title claimants then economic benefits, which involves legislation in relation to claimants and Land Councils. There will be payments to Forestry Corporation. The legislative process will take at least a year to work through and it will be subject to negotiation.</p> <p>Q: Committee member: In relation to roads and the use of roads and the road access agreement with Santos and Narrabri Shire Council, why is Santos abdicating responsibility for Northern Flow Line payment?</p>	

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	<p>A. Santos: We wrote to Forestry, Crown Lands and Narrabri Shire (NSC) Section 137 or 138 of the Roads Act as we needed consent to undertake activities. Each entity then came back under each of their Legislative provisions. A license was provided with Crown Lands and Forestry Corporation. NSC came back with a license that is also used for irrigators that lay poly-pipe adjacent to roads. In context for consent for a landowner to undertake activity, it was NSC decision under what provision the license was issued and a fee was paid by Santos. Each State Government department has different legislation under the regulation of fees. A government entity can only charge fees under the relevant legislation.</p> <p><i>Committee member commented to another that Council need to consider changing this.</i></p> <p>Q: Committee member: Compensations – who’s responsible? A. Santos: Don’t know the answer, Council matter.</p> <p>Q: Committee member: Leakage? When you drill laterals you may contaminate the water? A. Santos: What contamination are you worried about? It was agreed to be discussed offline.</p> <p>Q: Committee member: Rate of return on the proposal? A. Santos: Long way to go before we can provide it. In the next 12-18 months we need to reduce risk and don’t currently know acceptable rate FID (final investment decision).</p> <p>Q: Committee member: Santos paid \$1.8b for the land and questioned whether it is really going to confine operations to the orange polygon? A. Santos: Licenses work by minerals belonging to the State and it announces areas for exploration lines to be applied for by Companies. Expressions of interest for areas available are accepted and awarded to Companies with the highest prospect for production. The area of interest to Santos is within the orange polygon on the map.</p> <p><i>Update provided by Santos regarding current activity</i></p>	

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	Discussion	Action/By Whom
<p>4. General Business</p> <p>a. Other Business</p>	<ul style="list-style-type: none"> - Formalising the Narrabri CCC: letter has been sent to DRE. The previous Minister resigned and that may slow down the process. Acting Minister has been appointed. It is unlikely to be considered before the end of January. The plan is to continue with the current format until we get advice from the Department. - Santos to provide a monthly update to be forwarded to the CCC plus a copy of presentation and maps in the next 14 days; - Information pack was provided to all Committee members; there is a new landholder fact sheet. A Project brochure will go out on Monday 16 December to letterboxes in the Narrabri area. - Rig working on Dewhurst 22 to 25 to be drilled until January; final of the 8 SAMB being installed for this year; flow line installations progressing; fencing still being completed at Leewood; road upgrades are progressing and expected to finish in January at Leewood; ecological studies are continuing in State Forest and on private landowner properties (flora and fauna surveys); water portal available; undertaking noise monitoring; - Community engagement – landholder information sessions within the project area and more information sessions in the new year running from January to April, May. Community site tours advertised in Courier, Website; finalizing sponsorships for this year and will assess next year once budget received. - Wilga Park power station request to regulator for application of change – may be turned on again in January once approved as required; need to confirm where it will be emptied; was surface leak in lining and has been repaired (line leakages); example of liner passed around. <p>Chair sought feedback on how he can play a part in maintaining good meetings.</p> <p>A request was made by Santos to not revisit issues that have been communicated and dealt with</p>	

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	Discussion	Action/By Whom
b. Feedback on chairing of meetings	<p>previously. New information and questions will be answered by Santos and information will be sourced if required. Chair commented there has been attempts made throughout the year to work through time allocated and questions asked with each Committee member. The approach needs to be structured and represent the whole community with a whole range of issues.</p> <p>Chair provided a summary of the topics covered from Sept 2012 to Dec 2013.</p>	

Optional trip in January, meeting in February

Next Meeting Topics: Kevin Lanigan , Energy Australia

Date of next meeting: 12th February 2014

Meeting Closed: 7.45pm

Appendix 1: Narrabri Gas Project – Our plans to develop natural gas for New South Wales (December 2013)

Appendix 2: Questions tabled to Santos on behalf of the Community (tabled at Santos CCC 11 December 2013)

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Attachment 1: Actions

Action Raised	Date Raised	Progress Made
Action for Santos to provide committee with full soil analysis including analysis of bacteria of the Leewood site next year when it is available. As well as providing regular soil checks to ensure no contamination is occurring.	11th December	Ongoing
Santos to give a process to try and resolve committee members issue with his bore	14 th May	Ongoing. CCC will be provided with copy of document when it is finalized
Action for Santos to explore the option of formalising the committee.	18 th June	Ongoing waiting on response from DRE
Groundwater modelling and monitoring plan – NCP – to be provided by Santos	20 th November	
Santos to provide further details on the erosion management plan for the flow line project	18 th September.	CCC will be provided a copy of this once it is finalized.
Santos to send out upcoming presentation for future meetings 1 week in advanced.	Noted and has been implemented	
Santos to provide more information about polymers	Finalised previous meeting	
Will volatile organic compounds (VOCs) be measured as part of the air quality monitoring program?	12 th December	

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Map size – multiple requests for decent size map; commitment will be provided by Santos provided before Christmas (A3); USB tool can be provided Santos to provide Committee members with enlarged map of the operating area	12 th December	
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Attachment 2: Summary of topics covered in the CCC Meetings (since commencement in August 2012).

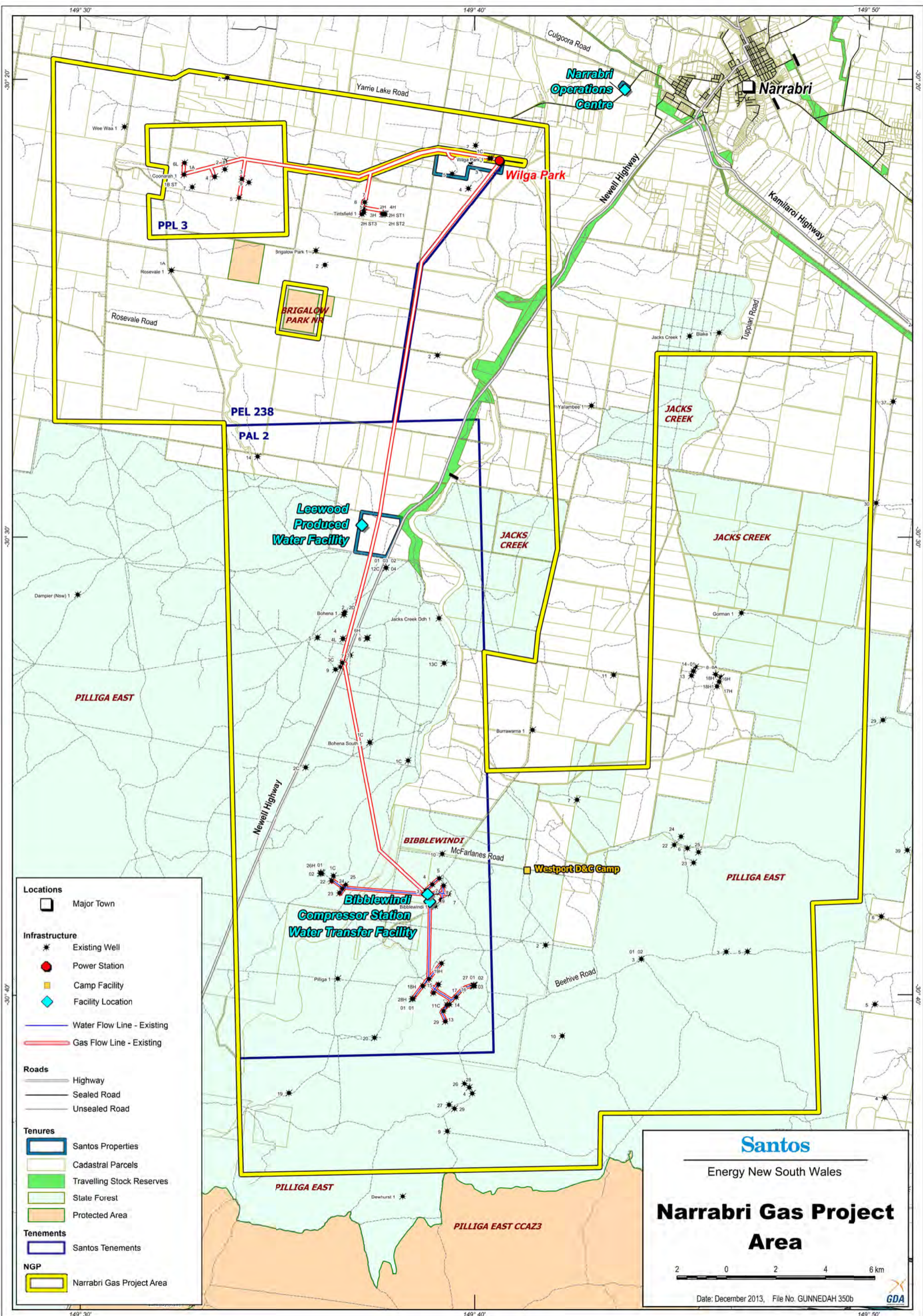
September 2012	Overview of exploration process and overview of legislative approvals process
October 2012	Ground rules and treatment and analysis of surface water
November 2012	Overview of rehabilitation program
December 2012	Overview of Leewood property works and Santos' land compensation agreement
February 2013	Update on Pilliga rehabilitation and the CCC, itself
March 2013	An introduction to drilling and soil issues (extraordinary meeting)
April 2013	Sulphate reducing bacteria
May 2013	<ul style="list-style-type: none"> • Management of surface water contamination • Environment, health & safety management system overview
June 2013	Developing Reviews of Environmental Factors
August 2013	Santos' operations' workshop and display
September 2013	<ul style="list-style-type: none"> • Santos' proposed activities and the local economy and overview of Northern & Southern flows' proposal
October 2013	Tri level drilling for Narrabri Shire
November 2013	Monitoring of local air quality and baseline aquifer monitoring activities
December 2013	Santos' proposed activities and the local economy

Santos Community Consultative Committee – Narrabri Shire Meeting

Wednesday 11th December – 5:30 pm to 7:30 pm

Narrabri Shire Council Chambers

1.	Welcome, apologies and introductions	5:30 – 5:35	All
2.	Previous meeting's minutes	5:35 – 5:55	David Ross
3.	Santos' proposed activities and the local economy	5:55 – 7:00	Rob Chamalaun/ Annie Moody
4.	General Business <ul style="list-style-type: none">• Other Business• Feedback on chairing of meetings• Next meeting and issue to discuss	7:00 – 7:30	All



Key CCC Discussions

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| September 2012 | <ul style="list-style-type: none">• Overview of exploration process• Overview of legislative approvals process |
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| October 2012 | <ul style="list-style-type: none">• Ground rules• Treatment and analysis of surface water |
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November 2012	Overview of rehabilitation program
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| December 2012 | <ul style="list-style-type: none">• Overview of Leewood property works• Santos' land compensation agreement |
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| February 2013 | <ul style="list-style-type: none">• Update on Pilliga rehabilitation• The CCC, itself |
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| March 2013 | <ul style="list-style-type: none">• An introduction to drilling• Soil issues (extraordinary meeting) |
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April 2013	Sulphate reducing bacteria
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| May 2013 | <ul style="list-style-type: none">• Management of surface water contamination• Environment, health & safety management system overview |
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June 2013	Developing Reviews of Environmental Factors
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August 2013	Santos' operations' workshop and display
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| September 2013 | <ul style="list-style-type: none">• Santos' proposed activities and the local economy• Overview of Northern & Southern flows' proposal |
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October 2013	Tri level drilling for Narrabri Shire
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| November 2013 | <ul style="list-style-type: none">• Monitoring of local air quality• Baseline aquifer monitoring activities |
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December 2013	Santos' proposed activities and the local economy
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QUESTIONS FOR SANTOS FROM THE GENERAL COMMUNITY

Presented to SANTOS at the Narrabri SANTOS Community Consultative Committee Meeting

Wednesday 18th September 2013 1730-1930hrs Narrabri Shire Council Rooms.

It is requested that printed answers be supplied by SANTOS to each individual question, thank you.

- 1) Will the results of all the baseline air quality data be made available to the general public and all details of when, where, methods of collection and air speed /direction at time of collection, be included. We are requesting they are made available to the public and also requesting we will be directed by SANTOS as to what government department the results will be sent and when.
- 2) What legal protection does any individual privately owned business entity including farming and grazing or individual land owner living on a 'lifestyle block' have, in regard to the loss or contamination/depletion of their underground stock and domestic or irrigation water, due to that owner believing the cause may be from a operational(in any form) csg business. How do you prove damage, where does the onus of proof rest and how is it possible to prove damage in your ie SANTOS view?
- 3) Has or is Mr. Sam Crafter of SANTOS moving from the district to live elsewhere? Is this an acknowledgement that his style of community engagement has failed? What will SANTOS do to re-establish trust in the community?
- 4) Is SANTOS supporting the establishment of a HIA in the region to set baseline health levels? If so will they write to the Deputy Premier to include this in the SRLUP ?
- 5) What commitments has SANTOS given to the Federal Coalition about csg reservation of the Pilliga for NSW ? Are they enforceable?
- 6) How will SANTOS stop aquifer drawdown and gas leakage in the tri-stacked Dewhurst wells when SANTOS informed the NSW Chief Scientist Professor Mary O'Kane that they had difficulty in sealing the tri-lateral junctions?
- 7) Does SANTOS remain faithful to their statement that "they would not force their way onto any landholder who does not want them"?
- 8) Can SANTOS explain the above statement they have made in relation to the State and Federal Governments position on procurement of unconventional coal seam gas on private land?

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- 9) What is SANTOS water management plan? , In light of the community requiring and deserving of a straight succinct answer to the below reference. Can SANTOS please set the record as to:

The community deserves a straight answer, on the record, about their plans to treat and dispose of water from their 36 planned coal seam gas pilot production wells in the Pilliga region that are currently sitting in the NSW Government's approval process.

The have a formal referral to the Federal Government that includes a water resources assessment report that specifically describes water being trucked daily from the Leewood Ponds to a licenced waste facility in Sydney.

It says, "Produced water from the pond will be transported by road tankers to an appropriately licensed facility for treatment, reuse and/or disposal. An average of 35 truckloads per day are estimated to be required to transport produced water from Leewood Produced Water Facility to an appropriately licensed facility in the Sydney metropolitan area."

However, in late August 2013, Santos is now stating to the Narrabri Courier:
"In the second stage of the project, a water treatment facility will be built to treat the water to a high standard, suitable for human consumption. The water will be variously re-injected into the aquifers, used for irrigation and be available to farmers."

Santos staff have also said there will be no trucking at the recent Ag Quip, and despite their Water Resources Assessment, a Santos rep told an AAP journalist in July 2013 that "We have no immediate plans to truck water."

- 10) Can SANTOS clarify what written permission they have been granted by any State or Federal government department with regard to the media item recently appearing in the media and all conditions upon the granting. As below:

SMH 18/09/2013

The NSW government said it had approved the drilling by Santos of eight exploration coal seam gas wells in one of the biggest remaining temperate woodlands in eastern Australia, provided "strict" environmental conditions are met.

Santos won approval to drill two sets of four wells in the Pilliga Forest in north-west NSW in August with details only made public in recent days.

The company also secured approval for stage one of its water management project.

Environmental groups, such as the Wilderness Society, queried how the same arm of the government taking Santos to court on Friday over the spill in mid-2011 of waste water from

the nearby Bibblewindi water treatment works could also give the nod for further drilling in the area.

A spokesperson for NSW Trade & Investment said the wells and water management project had been approved on August 16 "subject to strict environmental reporting and monitoring conditions".

"Before Santos can produce water from these wells they are required to lodge and have approved a produced water management plan," the spokesperson said.

The company will need approval to transfer water via flow lines to its Leewood facility outside the Pilliga Forest before the wells can start producing water, she said.

Naomi Hogan, a campaign manager for The Wilderness Society, said a longer-term plan was necessary since Santos' Leewood ponds now operate solely as evaporation sites.

"They have no clear plan for how they will handle the water when it gets to the ponds," Ms Hogan said, adding the water was often contaminated with heavy metals and salts. Any water management plan should be "on the public record" and be a "long-term scientifically researched outcome," which is not yet the case, she said.

A spokesman for Santos said the company would abide by the conditions set by the state government.

The aim is to begin drilling in the final quarter of 2013, assuming the company obtains state approval and also a separate nod from the incoming federal government under the existing environment rules, the spokesman said. "It is also worth pointing out that there has been extensive groundwater modelling done that shows the proposed exploration program will have no significant impact on the groundwater source in the region," a spokesman for Santos said.

The NSW Environmental Protection Authority, meanwhile, said it had yet to complete investigation of a possible leaking at the large pond at Bibblewindi earlier this year.

- 11) What geological studies including tracer studies between potable aquifers and the proposed drill sites (to determine interconnectivity) in the Pilliga (just announced) have been carried out to date? Where may we access this data? Have tracer studies been conducted by SANTOS or any commissioned by SANTOS or any entity, recently or in the past, if yes, where can we view the results?

Thankyou, for and on behalf of the greater general public including the Narrabri SANTOS CCC.