



Ms Ann Stewart
Community and Government Affairs
Eastern Star Gas Limited (a Santos Limited Company)
Level 16, 40 Creek Street
Brisbane QLD 4000

Dear Ann,

PAL2 & PEL238: Approval to modify Operations and Water Management Plan

Proposed Temporary Lifted Water Management - Bibblewindi Pond 3

In accordance with Condition 2 of PAL2 and Condition 1 of PEL238 granted under the *Petroleum (Onshore) Act 1991*, the titleholder is hereby granted approval; for the temporary transfer of water from Bibblewindi Pond 3 to Tintsville Pond 2, subject to the conditions set out below. These conditions relate specifically to this approval and are additional to the Conditions of PAL2 and PEL238. 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 operation and methods contained in:

Temporary Lifted Water Management - Bibblewindi Pond - Review of Environmental Factors Revision 2, 25 January 2012_submitted by Eastern Star Gas Limited.

2. This approval is valid for a 12 month period up to 28 February 2013.

Surface and Groundwater

3. Eastern Star Gas is to monitor the near surface groundwater quality at Bibblewindi and Tintsville water storages by piezometric monitoring wells.
4. Eastern Star Gas is to prepare and submit Biannual reports documenting water management operations within PAL2 and PEL238 : by 1 September 2012 for the period February 2012 to August 2012, and by 1 March 2013 for the period September 2012 to February 2013.
5. Pipelines for the transfer of water are to be tested and operated according to accepted good oilfield practice. A program of surveillance and monitoring of the water transfer is to be implemented and records are to be maintained at the project site and available to DRE inspectors on request.

Erosion and Sediment Control

6. Erosion and sediment control procedures are to be implemented to protect natural water courses and to the standards specified in "Managing Urban Stormwater: Soils and Construction Volume 1 – 4th Edition March 2004".

Trade & Investment, Regional Infrastructure & Services

PO Box 344 Hunter Region Mail Centre NSW 2310

516 High St MAITLAND NSW 2320

Tel: 02 4931 6422 Fax: 02 4931 6793

www.dtiris.nsw.gov.au

ABN 72189919072

Construction and operation of the above ground temporary pipeline must not impede the natural movement of surface waters at the site.

Noise

7. Noise impacts from the activity are to be monitored and noise at closest residential receivers must comply with the Interim Construction Noise Guidelines (DECC, 2008). All reasonable and feasible noise mitigation measures are to be applied to minimise noise to meet the noise affected level of LAeq 35dB(A) for operations outside of non-standard hours.

Security

8. An additional security deposit to cover rehabilitation cost liability for this activity is to be lodged with the DRE. You will be advised of the amount separately by the DRE Titles Branch.

Should you wish to discuss any details of this approval, please contact the DRE Environmental Sustainability Unit at Maitland on (02) 4931 6605.

Yours Sincerely,



Michael McFadyen
Manager Environment Operations

DATE.. 22 FEB 12