

Monday, November 22, 2010

Anna Timbrell Environmental Planning Officer Major Infrastructure Assessments Department of Planning GPO Box 39, Sydney NSW 2001

Dear Anna,

Re: Project 07_0023, Section 75W Modification

Please find enclosed a S75W modification form for the Narrabri Coal Seam Gas Utilisation Project comprising a request to modify CoA 2.34. As discussed in our meeting of 19 November, I have identified a means by which an appropriate vegetation offsets package can be achieved for the project; however the finalisation of the management agreement and funding arrangement could take up to August 2011 to complete.

Key steps in the process and the timing of each provides the basis for this estimate:

- Field surveying of both the impact and offset site 1st and 2nd week of February 2011
- Reporting and compilation of data into NSW DECCW Biobanking calculator 4th Week February 2011
- DECCW verification process March 2011
- Drafting of management agreement with LPMA 3rd and 4th Week March 2011
- Drafting of funding arrangement with NWLHPA 1st and 2nd Week April
- Finalisation of management agreement and funding arrangement 4th Week April
- Execution of management agreement and funding arrangement May 2011

While confident of obtaining finalised agreements generally on this timeframe, I am mindful that a number of steps rely upon the completion of assessments by external organisations including DECCW. To account for potential delays and protracted negotiations with stakeholders, ESG commits to providing evidence of agreement execution before the end of August 2011.

Please contact me if you require any further information

Sincerely

Tim Donnan

Environmental Manager