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Submission: Expansion of Dewhurst coal seam gas exploration pilots, Narrabri gas exploration

We are opposed to this development. Santos do not have a social licence to operate coal seam gas exploration or production in the north west of NSW, and extensive community surveying and grassroots democracy has revealed that an overwhelming majority of people in this region reject this industry. Nor is it appropriate that a State Forest be made inaccessible to the public while a private company undertakes risky industrial activity there, and changes is irrevocably.

On 12 November, the NSW Government announced that coal seam gas exploration activities were to be put on hold in the declared Special Areas of Sydney's drinking water catchment while a scientific study is conducted by the NSW Chief Scientist and Engineer, Professor Mary O'Kane. The then-Minister for Resources and Energy said at the time that, "Designated Special Areas in the Catchment are recognised due to their topography and importance in filtering surface waters that flow in to the catchment's dams. No activities should occur in these areas if they are detrimental to the quality and supply of water to the large population of Sydney and the Illawarra."¹

The Lock the Gate Alliance welcomed this announcement, and the commitment it showed to a precautionary approach to protecting water from unconventional gas exploration and extraction.

The Pilliga sandstone is a recharge aquifer of the Great Artesian Basin, the largest water resource on the continent, and one that supports rural communities, industries and environmental services in several states. This resource is as precious to Australia's society, environment and economy as Sydney's drinking water, and should be immediately afforded the same protection. There is no alternative water supply for many landowners and the town of Narrabri of around 6,000 residents (Census 2011) has no other source of drinking water. Until it is proven safe with guarantees, this project should not proceed. There is no commitment by Santos to provide a bond, or indication of how the government will make amends for the extensive impact that potential loss or contamination of this water resource would have on impacted communities.

¹ Chris Hartcher. Media Release "NSW GOVERNMENT IMPOSES HOLD ON CSG ACTIVITIES TO PROTECT SYDNEY WATER CATCHMENT" http://www.csg.nsw.gov.au/_data/assets/pdf_file/0008/35999/NSW-Government-Imposes-Hold-on-CSG-Activities-to-Protect-Sydney-Water-Catchment.pdf

The 'triple stacked' drilling of horizontal coal seam gas wells through the casing of the existing wells, at Dewhurst 13-18H and 31 poses great danger to the Great Artesian Basin and other aquifers as it is very difficult, if not impossible, to seal the junction between the casing and the lateral drilling. Professor Mary O'Kane has said that she had been told by Santos that they had difficulty sealing these junctions known as Kick Off Points (KOPs). The contamination or depletion of this Great Artesian Basin recharge aquifer, were it to happen, would have profound implications for NSW. We do not believe that the risks and hazards of this activity are fully addressed by the EIS, and join rural communities in NSW in calling for this operation to be ceased and the water resource protected, as has been done for Sydney.

The Director-General's Requirements call for a demonstration of "net benefit" of the activity to the NSW community, but there is no cost benefit analysis in the Environmental Impact Statement. Guidelines have been published for 12 months outlining how to conduct cost-benefit analyses for mining and coal seam gas projects, yet these have not been followed. Dubious claims of economic benefit that have not been run through the cost benefit analysis approach have been shown in the NSW Land and Environment Court to be unreliable. As a result of not including this kind of analysis, the EIS for this project has failed to fulfil its requirements.

Over three years, drilling these wells will produce an additional 331 and 413ML of saline water containing heavy-metals and petrochemicals for the operation of Dewhurst 13-18H and Dewhurst 26-31 pilots, respectively. Santos still do not have approval for the long-term sustainable management of this toxic produced water, and it is not tenable for the NSW government to give approval to further expansion of their exploration program without a plan for this fundamental aspect of the operation. Failure to provide an adequate management framework for produced water poses a huge threat to the local creeks and groundwater from spills. The NSW Government is taking legal action against the proponent of this project for a spill of untreated produced water from another exploration site in the Narrabri gas project in June 2011 and Santos has pleaded guilty to the charges brought against them. It is completely unacceptable for any further approvals to be granted for exploration in the Pilliga while a long-term solution to the safe and ecologically sustainable management of produced water is not available. There are also no clear plans as to how Santos will manage the salt waste produced from these pilot wells.

In their submission to the Bibblewindi pilot project extension last month, the Office of Water stated that "insufficient information has been provided for the Office of Water to assess the validity of the model and its suitability in making the required predictions" and called for the peer review of the model to be released. The Office of Water also complained that "No reference could be found to any detailed groundwater quality information" in the EIS and that the requirements of the Aquifer Interference Policy had not been fulfilled in this regard.² Both of these requests are yet to be fulfilled, and yet the proponent is seeking comment and approval for further exploration activities.

² Department of Primary Industries. 18 November 2013. Appendix A: Office of Water comments. <https://majorprojects.affinitylive.com/public/66452a0e382a16c70c472f17ff36f7cd/DPI.pdf>

There has been no baseline testing, and this should be a basic requirement of the proponent before any further approvals are given.

It is inappropriate for Santos to be seeking a further expansion of the Narrabri gas project while questions remain unanswered about the activities already underway and proposed there.

The further drilling required for these wells will continue the removal and degradation of habitat for the Federal and State listed threatened species that live in the Pilliga Forest, including the endemic Pilliga Mouse, along with the Koala, Black Striped Wallaby and Eastern Pygmy Possum. Santos have admitted that their CSG exploration will remove habitat for the Pilliga Mouse. The breeding status and population dynamics of the threatened species in the Pilliga are poorly understood. No further removal of habitat should be approved without baseline ecological surveys to assess the population dynamics and status of the Pilliga Mouse and other threatened species.

We are profoundly disappointed that Aboriginal cultural heritage requirements were taken out of the Director General Requirements for this project. The Gomeroi Traditional Owners of the Pilliga Forest have an ongoing connection to the Pilliga Forest through 'song-lines', sacred sites, bush-medicine and cultural practices. The rights of the Gomeroi Nation to have their traditional knowledge and spiritual practices considered as part of this Planning proposal has been denied, and we support their efforts to protect their heritage and ongoing cultural ties to the forest from damage and degradation caused by this project.

Finally, we have been alerted by local Rural Fire Service volunteers to the lack of a clear bushfire hazard avoidance and emergency strategy for this project. The Pilliga is highly susceptible to fires, largely due to the high incidence of ironstone attracting lightning strikes. It is not unusual for the Rural Fire Service to record up to 1000 over a 24 hour period in the Pilliga region. Anecdotal concerns have been expressed by Rural Fire Service volunteers about the risk of bushfire being caused by Santos' operations. The current pilot production well site has not been inspected by the RFS causing serious concerns to community members from adjoining districts as it was clear that the fuel loads both on site and the timber forest surrounding were of dangerously high levels.

Thank you for the opportunity to comment on this proposal.