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Dear Stephen

Narrabri Gas Project – Response to Submissions

We refer to your correspondence of 12 April 2018 inviting the Division of Resources & Geoscience (DRG) to comment on the Narrabri Gas Project (the Project) request for review of Response to Submission submitted by Santos NSW (Eastern) Pty Ltd (the Proponent) on behalf of its joint venture partners.

DRG have subsequently passed this request onto the Resources Regulator as some of the comments previously provided for this Project originated from the Environmental Sustainability Unit (ESU). ESU is now part of the Resources Regulator and as such we have now incorporated their assessment and review of the Response to Submissions as part of the Resources Regulator response.

The Resources Regulator advises the Department of Planning and Environment – Resource Assessments that the information provided in the Response to Submissions document partially addresses the issues raised in the submission from the Division of Resources and Geoscience dated 24 May 2017.

Further information is provided in Addendum A.

It is envisaged that Conditions of Approval will provide further calcification to a number of issues identified, which will require further input from the Resources Regulator at this time, if the Project proceeds.

The Resources Regulator has determined that sustainable rehabilitation outcomes can be achieved as a result of the project and that any identified risks or opportunities can be effectively regulated through conditions of the approval and the conditions of petroleum authorities issued under the Petroleum (Onshore) Act 1991.

Yours Sincerely



Matthew Newton
Director Compliance Operations - Resources Regulator
5 June 2018

Encl. - Addendum A – further information on the Response to Submission

Addendum A – further information on the Response to Submission

The Resources Regulator review of the Narrabri Gas Project – Response to Submissions has been undertaken to determine whether sustainable rehabilitation outcomes can be achieved as a result of the project and that any identified risks or opportunities can be effectively regulated through the conditions of mining authorities issued under the *Petroleum (Onshore) Act 1991*.

The review focused on the adequacy of the information provided to address issues previously raised by DRG submission dated 24 May 2017 and is summarised as follows.

Well decommissioning/ Suspension Protocols

The request for a clarification on the criteria to be used by the proponent when identifying wells ready for decommissioning has not been provided by the proponent, other than a commitment to provide a Decommissioning Management Plan post approval.

The Resources Regulator proposes that this issue is resolved by an appropriate development consent condition that ensures petroleum wells can only be suspended for a limited time before decommissioning and rehabilitation commence, unless prior approval from the Secretary is obtained. The specific details of this condition (i.e. the time frame allowed for suspension of wells) will be subject to further negotiations between the Resources Regulator and DPE-Planning Services.

Final Land Use

The request for a clarification on the protocol to map pre-disturbance vegetation communities (or capability class target for agricultural land) has been clarified in the response provided by proponent. The proponent has provided sufficient information to demonstrate this type of information will be collected.

It is envisaged that this information would be reported as part of the proposed Plan of Operations or via a plan regulated under the conditions of a petroleum lease, including the need to submit Rehabilitation Objectives & Completion Criteria, an Annual Rehabilitation Report as well as the need to implement a Rehabilitation Management Plan (or equivalent). The specific details of these plan requirements will be subject to further negotiations between the Resources Regulator and DPE-Planning Services.

Topsoil Management

The request for a clarification on topsoil management protocols for extended periods has been partially addressed in the response provided by proponent.

Further details on topsoil management for extended periods will be required to be documented in a Rehabilitation Management Plan (or equivalent). As stated above, the requirements for this plan will be subject to further negotiations between the Resources Regulator and DPE-Planning Services.

Conceptual Final Landform Plan

The request for conceptual final landuse plans for the Leewood and Bibblewindi infrastructure areas has not been provided by the proponent, other than a commitment to provide a "rehabilitation plan and a decommissioning management plan" post approval. The Proponent stated that conceptual final land use plans in these documents will be consistent with relevant approval conditions.

It is proposed that the current lack of clarity of final landform for the produced water storage ponds and retention of infrastructure is addressed by an appropriate condition at development consent and documented in a Rehabilitation Management Plan (or equivalent). It is the Resource Regulator's view that the consent should set the commitment to remove and rehabilitate the Leewood and Bibblewindi infrastructure areas as a minimum. However, the consent should acknowledge that opportunities may exist for alternative use of the infrastructure post-closure, but appropriate approval processes are to be followed to ensure

that any ongoing rehabilitation risks associated with the facilities are captured by an appropriate regulatory mechanism.

Removal of Infrastructure

The request for clarification on the need to remove infrastructure (gas and gathering lines) if requested by respective land owners has not been provided by the proponent, other than a commitment to provide a Decommissioning Management Plan post approval. The proponent has stated that infrastructure will be decommissioned in line with regulatory requirements, including approval conditions.

The Resources Regulator propose that the removal of infrastructure (gas and gathering lines) is addressed by an appropriate condition at development consent. It is likely that most infrastructure will remain insitu following decommissioning, however, a position be settled prior to approval for circumstances where land owners require removal.