

Inspection of Drilling Site for Methane Gas (CSG).

On 7th April, Sue Wilmott and I visited the drilling site on Cliftons Road near Spring Ridge/Caroona.

In keeping with Santos's idea of "community consultation", the site visit was hastily convened. We only had 4 days to prepare for the visit.

Tom Lonregan and Kathryn Logan picked Sue Wilmott and I up from Caroona Store.

We were looking at the exploration stage called "core drilling" which extracts 4 1/2" (diameter) cores by drilling directly into the ground to depths of 1000 metres. The cores are then labelled and sent off to analysed for presence of methane gas. Other information such as presence of coal, permeability, soil types etc can also be collected.

We started with an induction and then went around the site inspecting the machinery etc. At all times we had at least six people with us.

CHEMICALS

We were given sheets explaining the drilling fluids and polymers they used. KCL(potassium chloride) is used at a rate of 750kgs per 6000litres while CR-650 is a core recovery polymer and used at 1-3kgs per 1000 litres. The polymer is used to stabilize the reactive clays and provide lubrication when drilling. The chemicals were stored on anti-spill trays – which McDermott drilling representative took great pains to point out. When asked why bother as it all goes down the hole anyway, their response was "(chuckle)- It just makes it easier to handle really."

WATER USE

Water use is incredibly high. They claimed to be sourcing their water from the Narrabri Shire. 200,000 litres is used for each bore – based on a rate of 600litres per day. They had been on this site for 21 days. (My expert source says that this is a huge underestimation – and the drillers were varied on their figures and seemed incapable of giving the same figure.)

BHP apparently take the water away in tankers on completion, recycling it down the hole before that. This would give ample opportunity for cross-contamination between aquifers occurring.

The cuttings (which are similar to fine gravel) are kept in the pit. Lonregan claimed that many landholders liked to use the cuttings to gravel stockyards

and roads. To ensure Australian meat production is clean and safe, the Meat and Livestock Australia - Risk Assessment: Livestock Production Assurance report asks "*Do stock have access to leaking electrical transformers, capacitors, hydraulic equipment or **coal mine wastes?***" This is to guard against the presence of PCBs, organo-chlorine pesticides found in the fat of livestock. PCB's are found in areas including **former coal mining leases and in materials such as coal washery wastes (chitter) that have been brought on to farms for use as road base of stockyard surfaces.** As the report goes on to say that stock should be permanently excluded from any areas, equipment or materials thus affected, it would seem very foolish to use waste from methane extraction as a base for stockyards.

There were three waste ponds which (my guess) could probably contain approximately 10,000 litres each. They were lined with plastic. If there was a reasonable rainfall event, these ponds would have very easily spilled over. In response to this observation, Lonregan said that they had had several days of heavy rain without a problem. At the most they would have had 20mls of rain in the previous fall. This was not "several days of heavy rain" in anyone's book and he backed off immediately.

DRILLING PRACTICES.

McDermott Drilling claim to block off the aquifers to prevent cross-contamination. As we are all aware, McDermott's drilling practices were closely scrutinized in the Gunnedah Court last week. Allegations included sloppy work, falsified drilling statements, and inadequate environmental precautions. Lonregan admitted that the turnover of staff is high and most were very young. There was constant references to the costs associated- each bore hole costs around \$1m to drill. I believe that McDermott's/Santos would take shortcuts anywhere to minimize expenditure. Like most companies they would be rewarded for job completion under budget. I have no confidence whatsoever that environmentally safe drilling techniques are used. There is plenty of potential for human and mechanical error and carelessness.

ISSUES.

Sue Wilmott was affronted by the sign outside the gate re the spread of Parthenium weed. Our cars were to be washed etc etc – the usual sign warnings. Why were they so concerned by Parthenium weed when they are doing whatever they liked below the surface?

Tom Lonregan made constant reference to the Landholder. In his opinion, this "Landholder" was delighted to have Santos operating on his land, was happy to

have the cuttings left on his property etc etc. When it was pointed out that Carbon Minerals P/L actually owned the land he again backed off on this line.

WHERE TO FROM HERE?

If the results are positive 5-7 holes are then drilled to obtain further information using the same technology and the same huge amount of water per drilling hole. To extract the gas, water pressure will be lowered by dewatering the aquifer allowing the gas to escape to the surface. Lonregan said that Eastern Star has pumped for nearly THREE YEARS to dewater an aquifer during developmental drilling.

He claimed that they would not be using the fracking process as the gas will come to the surface naturally i.e. without the pressure of fracking. I phoned yet another “expert” and am yet to find someone who says that this is possible.

Obviously there is a huge amount of water which has to be disposed of. This water is not fit for re-use. The gas companies have no idea what to do with it other than leave it in waste ponds. There was talk of reverse osmosis – we said that it was known to be too costly – they backed off. There was talk of re-injection into aquifers – we said that would lead to massive contamination of aquifers and again they backed off. They do NOT have a real solution to this problem. Lonregan told one member of the community that since the successful Yarramalong Valley campaign where gas exploration was not allowed to proceed, waste ponds had been outlawed in NSW. This is a blatant lie. Clearly, they have no idea or plan for the disposal of this water.

Sue and I were there for nearly three hours. They presented a very sanitized version of the drilling process. There are too many inconsistencies in their “spin” to believe them credible.

We made our opposition to drilling very clear. It is essential for the community to present a united front on this. Keep a diary of any activities and conversations that you may have had with Santos representatives as well as photos and other records. Make it as difficult as possible for them to proceed and PLEASE do not give access to your properties.

Rosemary Nankivell
Wimboyne
QUIRINDI NSW 2343
ph: 0267474004
mb: 0428 643284