

Committee Secretary  
Senate Standing Committee on Environment, Communications and the Arts  
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I am concerned at the amount of underground water that will be required to be pumped to produce Coal seam Gas or CSG. Santos Ltd in press statements, state that they have over 7 trillion cubic feet of CSG which will be produced from their Tenements in Central Northern NSW.

To my knowledge there has been no inquiry as to the amount of water that will be required to be pumped to produce CSG in NSW. In Queensland there was a Coal Seam Gas Management Study of the Surat Basin (of which only a portion of the basin was examined) dated August 2004. This inquiry was sponsored by the Australian Government Dept. Of Industry ,Tourism and Resources, Queensland Government Natural Resources, Mines and Energy, Origin Energy Ltd, Arrow Energy Ltd and QGC Ltd. The inquiry was paid for by the three mining Companies and it appears that all parties had equal delegate rights. This report details the amount of water required to be pumped on a daily basis showing that it varies from below 10000 litres per day to well over a million litres per day. These figures apply to a single well and can be regarded as being conservative in their estimates. What is evident is that water has to be pumped at very significant rates to produce CSG. Of particular interest is that Artesian Water is expressly precluded from the study, because there is no apparent connection between the Great Artesian Basin and water drawn from sub artesian aquifers where the coal seams are present.

When cotton was first produced in the Namoi Valley, water licenses for irrigation for both river and underground water were easily procured. In short time the draw down in irrigation bores led to many sub artesian bores normally used for stock and domestic use, being no longer able to pump water. Some aquifers were pumped out to the extent that crops could no longer be irrigated. Bores were drilled at too close proximity to be operated simultaneously and many other problems with the supply were encountered. All this information would be well known to the Controlling Authority that is now part of the NSW Department of Primary Industry. It has operated under various names such as W.C.& I.C., WRC etc and efficiently controlled the policies of government regarding use and volumes of water in a fair and environmentally satisfactory manner.

At the present time the control of water use is under the jurisdiction of NSW Minister for Primary Industries, Energy and Mineral Resources. The amounts of money involved in the production, distribution and sale of CSG is so enormous as to make it very plain that Energy and Mineral resources should be administered by a separate portfolio in the NSW Government. Without doubt there is a conflict of interest that inevitably will lead to the inefficient control of Resources in NSW.

It is interesting to follow the production of CSG or Coal Bed Methane ( CBM )in the Powder River Basin of Wyoming U.S.A. where environmental damage has occurred. When the inquiry into the Surat Basin took place much of the information regarding water management came from the experience gained from production in the Powder River Basin and the report stated there were only several small problems arising from pollution of water. If one reads in 2009 information published on the internet about CBM production in that area, one gets a completely different picture, with complaints of excessive drawdown in bores which supply most Town water, pollution of river water and livestock producers being left with no underground water in their existing bores.

Due notice should be paid to the experience of drilling in the U.S.A. and safeguards put in place to protect the Land and its environment as it exists today and preserve the rights of Landholders so that they are not disadvantaged. I have in mind a comment at the end of one commentary from Wyoming “ If a Company wants to come on to your land to drill hire a lawyer to act for you from the very first day”

If there is any doubt that the flow of water could affect the Murray Darling water catchment, consider the fact that in 1990 nearly twenty years ago, Gas producers in Powder River Basin were pumping 384 million gallons of water a day and that was from less than ten percent of the wells that exist today. Unless the production of CSG is controlled with due consideration to the Environment and the preservation of our underground water resources, it will lead to catastrophic and lasting environmental damage.

R. David Corbett