

**Submission  
No 515**

## **INQUIRY INTO COAL SEAM GAS**

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The public needs answers to key questions to allow people to make up their minds on CSG. Those questions include:-

1. CSG industry says it is being tarred with the same brush as the shale gas industry in USA e.g. as per the 'Gaslands' documentary film. Is it the same or is it very different? If it is the same then 'Gaslands' story is frightening, however, the economic benefit to USA is major as it has flipped USA from being a gas importer to a potential gas exporter and cut domestic gas prices in half. In USA shale gas market share has gone from zero less than 10 years ago to now 23% of US gas production. (Source: Tim Treadgold May 2011).

2. CSG is not a new technology and has been operating in Australia for about 10 years. About 2,700 wells have been dug in the past few years and approvals have been issued for another 15,000 wells. (Source: Geoff Winestock, AFR 20-21/08/11). How many wells are already producing and where are they?

3. Of the 2,700 wells, industry admits a recent survey showed about 5 had leaks that could support a flame. (Source: AFR as above). Can the inquiry obtain a copy of that audit?

4. In Australia fracking has only been used in about 5% of the wells. (Source: AFR as above). What method of extracting gas is being used in the balance 95% of wells?

5. CSG industry admits there could be regional impacts, especially a lowering of water tables which would make it harder for farmers to pump bore water. (Source: AFR as above). Queensland legislation requires gas companies to offer redemption and compensation if water tables fall below certain levels. Proving what is the cause of the decline and how to remedy it remains unclear.

Until these questions are adequately answered, NSW Government should extent its moratorium on all CSG exploration and production in this state.