

**Submission  
No 878**

## **INQUIRY INTO COAL SEAM GAS**

**Name:** Mr Heath Webb

**Date received:** 14/09/2011

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The Director  
General Purpose Standing Committee No. 5  
Parliament House  
Macquarie St  
Sydney  
NSW 2000

Dear Committee:

I am writing to you on behalf of the Tooraweenah Coal seam gas Group. This group was formed in May 2010 as a result of the exploration in the area PEL 462 (Gunnedah Basin) by Santos. Since that time we have been in many meetings with and without Santos; been on a QLD CSG trip with MP Kevin Humphries; joined '*Lock the Gate Alliance*'; and kept this community up to date through emails, TV, and radio.

I am aware of countless submissions dwelling on aquifer interference from the previous Senate Inquiry led by Senator Bill Heffernan. I am worried about the effects on aquifers, but I feel others will have covered this area in detail. David Shearman, from the Doctors of the Environment Australia, has released reports on the effect of CSG on human health. I would like to touch on some other areas.

*From the Terms of Reference – Inquiry into Coal seam gas*

1. The environmental and health impacts of CSG

For some time I have been following the events in the US with CSG. In Arkansas, Texas, and Oklahoma, there is a correlation between Gas and small quakes and tremors. In a Wall Street Journal 'Wasterwater disposal may have cause Texas earthquakes' by Ben Casselman in 2009 - "possible correlation" between the quakes and a salt water disposal well operated by Chesapeake on the southern end of Dallas-Fort Worth International Airport. The airport sits atop a fault line."

I urge you to contact the *Arkansans for Gas drilling Accountability* (<http://a4gda.blogspot.com/>), understand their story, see whether there is a positive correlation between Gas and aquifer re-injection as well as Gas drilling methods in general, and examine the implications for New South Wales.

2. The economic and social implications of activities

**Santos conduct**

Santos has operated in the boundaries of the law since May 2010, but they have not been truthful and relations have been tense, in this 'David and Goliath' battle.

For example, a Santos employee told me on the phone that they had found a 'Gas sweetspot' adjoining our property earlier this year, and that they want to get onto land anywhere near this spot as soon as possible. When we asked some other Santos staff about this about a public meeting a few weeks later, 'Oh he didn't know what he was talking about. He has moved to QLD'.

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Santos entered people's properties and left notes on sheds etc. They came right to my back door in May 2010 for seismic testing. When it is your private home you feel very vulnerable. **Where is the phone call to organise a meeting like any business?** We run a business, they should respect that.

**Property price devaluation?**

In a *QLD Country Life* article by James Nason last February ('CSG Ripples felt in Rural Property market'), an Elders agent says that property prices have declined by 10-12%, and compensation packages should be set at a minimum of 20% of the property.

I don't think banks will like it when our debt: equity ratio's change! Coal seam gas companies must pay for this devaluation, although it is hard to gauge. Why would you even let them on if they wouldn't pay for this land devaluation? The gas wells won't pay for it – it is simply money out of your hand in devaluation, and some back in your hand through compensation per each gas well.

**Council rates**

Will Santos pay Council rates? Our family farm currently pays \$12,000 a year, and in a recent letter this is looking like doubling.

**Government staff to oversee operation?**

Would the NSW Government employ someone from the LHPA to oversee this Coal seam gas operation in the Gunnedah Basin? What about the CMA – they have no idea when we contacted them last year. I know you are cutting public sector jobs, and I applaud that!

I know Coal seam gas seems a perfect transitional fuel for the future, but we are crying out for solar, wind, and bioenergy out here!

Thank you for your cooperation and understanding in holding this Senate Inquiry.

Sincerely,

Heath Webb

