



## SURAT BASIN CSG ENGAGEMENT GROUP MEETING

**Meeting No 3**  
**VENUE: Marque Hotel**  
**George St., Brisbane**

**DATE: 18 July 2011**

### Minutes

Item	
	<p><b>Meeting opened 8.50 am after a breakfast with Stirling Hinchliffe MP as guest speaker</b></p> <p><b>Chair John Cotter welcomed everyone to the meeting and asked for round table introductions of the group as there were a couple of new people at the meeting</b></p>
<p>Actions and reports from Previous meeting</p>	<p><b><i>ACTION 1 Landholder commercial service agreement – needs to be collaboration with other CSG companies, QRC and APPEA before going to next Landholders working group – Janet Hann to lead,</i></b></p> <ul style="list-style-type: none"> <li>○ Sue Horne, Origin Energy, gave a brief update on the status of the paper. Martin McVicar is off sick at present and Sue has taken over this role.</li> <li>○ Origin are working with QGC and Arrow identifying some of the areas they would see landholders engaged in. This includes rehabilitation of sites, monitoring functions. They have not included APPEA as yet in the discussions. Looking at the levels of safety and procedures required.</li> <li>○ Origin have submitted an application with Skills Qld to assist participants to get recognised qualifications for the training they are doing. Looking at a staged approach</li> </ul> <p><b>Dan Galligan, QFF, Sue Horne, Origin and Ian Burnett, AgForce, to meet to progress discussions. Remember it is an option not compulsory</b></p> <p><b><i>ACTION 2– template for compensation to be circulated to the group for further discussion - John Skinner to provide template to Amanda</i></b></p> <ul style="list-style-type: none"> <li>○ <b>Amanda to send to the group</b></li> </ul> <p><b><i>ACTION 3 – APPEA to provide details of water forum 16 June to Amanda for distribution - Ross Dunn</i></b></p> <ul style="list-style-type: none"> <li>○ Ross advised the group that the event was sold out and he had received great feedback on the event. The highlight for him was having four CEO's on stage answering questions</li> <li>○ APPEA are looking at how to restructure the event with a more practical focus and the potential of taking it to Dalby</li> <li>○ Ian H thanked APPEA for the tickets to the event and highlighted the importance of taking it to the regions. All who attended supported the importance of bringing it to the region.</li> </ul> <p><b><i>ACTION 4 – John Bradley DERM to work with DEEDI to progress the use of technology for the communication of information such as presented by Andrew Brier on legislation changes</i></b></p> <ul style="list-style-type: none"> <li>○ Terry W DERM - Andrew Briers vodcasts being produced. These are being accessed on a regular basis and are going to fill some of the information need.</li> <li>○ Looking at a 3D presentation</li> <li>○ <b>Will report back to the next meeting</b></li> </ul>

	<p><b>ACTION 5</b> - Paul Antonio (TRC) to talk with Michael Roche (QRC) regarding the business case for the range crossing, support also from Maranoa and Western Downs Regional Councils, AgForce and QFF</p> <ul style="list-style-type: none"> <li>o Paul A, TRC, highlighted the need for the infrastructure of the Warrego Highway</li> <li>o working with QRC chief economist, thanked QRC for their assistance</li> <li>o Will be contacting DTMR regarding their report, need to get updated and projected traffic figures.</li> <li>o Michael R, RQC, Highlighted the need for a fuller understanding on why the project is stalling</li> <li>o Currently building a case to bring back to the State and Federal Govt. including forwarding looking data</li> <li>o Will cover all aspects of transport and the transport spine, ie road, rail and air</li> <li>o Robert L, MRC, gave a recent example of trial with Type 2 cattle trucks on a section of the highway which including shutting the highway to normal traffic for a short period. He highlighted that it needed to be a holistic approach and gave his wholehearted support to the plan. He also highlighted the need to include the Majors of the western shires in the discussions.</li> <li>o Keith D, Coordinator General, spoke with Western Downs Regional Council recently will be working within his role to get the stakeholders together and playing a bigger role in the Surat Basin</li> <li>o All the CSG companies are keen to work together on this and give their support to the project.</li> <li>o <b>Keith will contact Department of Transport and Main Roads (DTMR) to coordinate an urgent meeting.</b></li> </ul> <p><b>ACTION 6</b> – Ian Hayllor to meeting with Andrew Brier DERM regarding drilling standards</p> <ul style="list-style-type: none"> <li>o Yes they caught up</li> </ul> <p><b>ACTION 7</b> – Drilling standards to be discussed at the next meeting</p> <ul style="list-style-type: none"> <li>o Agenda item 4 on todays meeting</li> </ul>
<p><b>Item 1</b> <b>Report back on Landholder Engagement Group</b></p>	<p><b>Landholder Engagement Working group report back</b></p> <p><b>Landholders commercial service agreement presentation and discussion</b> Peter Thompson raised a number of areas of concern and advised the group that the next meeting of the Landholders working group would be a face to face meeting. Areas raised and discussed included</p> <ul style="list-style-type: none"> <li>• Majority of landholders are extremely busy and short staffed</li> <li>• Majority of landholders have tractors with blade and or graders, dozers, slashers, front-end loaders, 4WD utes, bikes / 4 wheelers</li> <li>• Those who get involved understand the need for OH&amp;S/ Company induction but are not keen on endless days of training or an overload of documentation. Keep it simple and practical. These people are used to practicing a wide range of common sense practical skills every day.</li> <li>• Fall into four general categories</li> </ul> <ol style="list-style-type: none"> <li>1. <b>Interested in doing a large amount of the ongoing monitoring</b> (Nearly all would need to employ an extra person to do so) . View is this would keep large percentage of "strangers" off their properties and they would have a perception of control and involvement with the ongoing activities on their land. Payment would need to be significant to cover cost of time and vehicle use (comments \$80 - 100,000 pa). Very few interested in doing full blown maintenance of well heads or other significant infrastructure. In this high level involvement there is an expectation that more than one person (if that was the case) from a property would be endorsed to do the monitoring</li> <li>2. <b>Interested in contracting to maintain leases ,access tracks etc</b> ( Generally would do this with existing personnel) A significant number are interested in doing this on other properties in their immediate neighbourhood</li> <li>3. <b>Interested in doing 1 &amp; 2</b> This would be the big package and payment would be \$80 - 100,000 pa plus contract rates for maintenance done with land owners machinery.</li> <li>4. <b>Not interested in being involved at all</b></li> </ol>

	<p>As a <b>very rough</b> guide for our wider area the percentages would be something like</p> <p>1 50% 2 20% 3 20% 4 10 %</p> <p><b>Confidentiality agreements</b></p> <ul style="list-style-type: none"> <li>○ Discussion on the option of having/not having confidentiality agreements as part of the compensation agreements and the use of lawyers</li> <li>○ All CSG Companies expressed their willingness to encourage landholders to engage lawyers and to include something in the paperwork highlighting that should be seriously considered to engage a lawyer as part of the process.</li> <li>○ Suggestion that there needs to be a front page similar to the REIQ document that people have to sign to say they have been advised to get legal advice.</li> <li>○ AgForward sessions have been seen as a valuable information session and talk about the need for legal advice</li> <li>○ Currently no standard compensation, different formulas used by each company. Acknowledgement that there needs to be flexibility but there needs to be information to make an informed decision.</li> <li>○ Dan G, QFF, raised that there is currently a review on standard access codes</li> <li>○ General discussion on the need for the compensation package to be seen as a 'value add'</li> <li>○ Brett S, QGC highlighted that there needed to be an understanding on what 'value add' means the landholder. Will be different in each case. <ul style="list-style-type: none"> <li>○ May need to look at other options rather than just money ie road maintenance, shares etc</li> </ul> </li> <li>○ Discussion on Compensation agreements needing to be able to be reviewed on a regular basis</li> <li>○ Discussion on attaching compensations details to title deeds. <ul style="list-style-type: none"> <li>○ Ian F, DEEDI, indicated there was not enough information yet to make an informed decision on the way forward at this stage on this area.</li> </ul> </li> <li>○ John C advised the group that the finance industry is watching this and are stakeholders who need to be involved in the discussion</li> <li>○ John A , JAG, highlighted there was still a level of distrust and agreed with previous statements on the need to 'value add' or be of benefit to the landholder</li> <li>○ Discussion on the benefit to the region is not just through the compensation packages to landholders but covers a number of other areas such as community benefits, royalties, payments to council for roads and infrastructure, and partnership agreements like the Emergency helicopter based at Roma</li> </ul> <p><b>ACTION</b> – <b>Dan G, QFF</b> to coordinate a meeting of QFF/AgForce and landholder groups prior to the next landholder working group meeting to form an agreed position</p>
<p><b>Item 2</b> <b>Report back from Water Working group</b></p>	<p><b>Water Working Group report</b></p> <ul style="list-style-type: none"> <li>○ Terry Wall, DERM, acknowledged the vodcasts and work of Andrew Brier, DERM, in meeting some of the information needs</li> <li>○ Randall C, QWC, commented on the recent water working group meeting <ul style="list-style-type: none"> <li>○ Discussions on the need to take the APPEA water forum to Dalby</li> <li>○ Reminder that the re-injection policy is not a 'silver bullet'</li> </ul> </li> <li>○ Karen Waldman, QWC, highlighted that stakeholder engagement was vitally important and Randal being visible, accessible and available for presentation is helping the spread of information</li> <li>○ Leisa E, Arrow Energy introduced St. John Herbert who gave an update on the current water modelling being done by Arrow in the Condamine Alluviums and Walloon area <ul style="list-style-type: none"> <li>○ Looking at the certainty and error factor in the model, to work towards better predictions by the model</li> <li>○ Sharing information with QWC to limit duplication of work, and will continue to provide information to he community and stakeholders as it moves forward</li> <li>○ Questions and discussion on the contact zone between the Walloons and Condamine alluviums</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Companies confirmed that water was not a competitive issue and they are all part of a water group sharing information</li> </ul> <p><b>ACTION</b> – need to publicise that companies are working together and with QWC on the water issues</p> <ul style="list-style-type: none"> <li>○ Andrew B, DERM highlighted that the level of understanding by landholders had increased in the last six months, however the general community may not have the same depth of knowledge.</li> <li>○ Concerns are on both the drawdown and the contamination.</li> </ul> <p>Beneficial Use of water</p> <ul style="list-style-type: none"> <li>○ Re-injection is the government policy decision subject to feasibility</li> <li>○ Discussion on re-injection/virtual reinjection and the current trials including procedures involved</li> <li>○ The policy needs to be considered outside the Surat Basin as other areas such as the Bowen Basin come on line.</li> <li>○ Terry Wall, DERM, considers substitution as a option to reinjection</li> <li>○ Matthew P, APPEA raised the need to look at the technical, economic and social affects when considering the use of the water.</li> <li>○ Concerns expressed on the transfer and use of water i.e. for Wandoan coal project</li> <li>○ Ian H, BSA, raised the need for a groundwater management plan for the Surat Basin</li> <li>○ Terry W, DERM, CSG Water Policy is under review</li> </ul> <p><b>ACTION</b> – Terry W, DERM, will provide the policy to the group for consultation</p> <p><b>ACTION</b> – Terry W, DERM, will commit someone from the DERM policy section to attend the water working group.</p> <ul style="list-style-type: none"> <li>○ Rick W, APPEA, fully support the concept of reinjection, with the need to look at the context and local community for input.</li> </ul>
<p><b>Item 3</b></p> <p><b>Dalby and Roma Subgroup report</b></p>	<p><b>Dalby and Roma Subgroup report</b> - John C gave an update of from the Roma and Dalby sub-group meetings</p> <ul style="list-style-type: none"> <li>○ These groups deal with local on the ground issues</li> <li>○ Bothe groups highlighted the need for building relationships and the benefits of working together i.e. the Emergency helicopter at Roma what all companies and local council support.</li> <li>○ Ray J, WDRC, raised the issue of public notices need to be in plain English.</li> <li>○ General discussion on the recent changes on notices as a move in the right direction with a change of wording from 'this is what we are going to do' to 'this is what we would like to do'</li> <li>○ General discussion on the other engagement group in Roma and the roles of each group</li> <li>○ Keith D, Coordinator General, felt that the current group in Roma, Maranoa regional consultative group chaired by Barry Braithwaite, meet the requirements and there was no need for an additional group but for John C to be part of the existing group.</li> </ul> <p><b>ACTION</b> – CSG Companies to write to Keith D, regarding the proposal to use the one group and for John C to be invited onto that group chaired by Barry Braithwaite.</p>
<p><b>Item 4</b></p> <p><b>Drilling Standards</b></p>	<p><b>Drilling Standards</b></p> <ul style="list-style-type: none"> <li>○ Stephen M, DEEDI Mines and Energy, spoke to the recent well head safety report <a href="http://www.industry.qld.gov.au/key-industries/834.htm">http://www.industry.qld.gov.au/key-industries/834.htm</a> <ul style="list-style-type: none"> <li>○ highlighted that methane is only flammable at between 5 &amp; 15% and is lighter than air and therefore rises rapidly</li> <li>○ have developed a consistent methodology for monitoring wells</li> <li>○ have developed a Code of Practice on Well Head Emissions which is enforceable</li> <li>○ code has been modified to ensure that landholders are informed</li> <li>○ code of Practice on Well Construction is being developed</li> </ul> </li> <li>○ Discussion on grass fires and hazard reduction burns around gas wells <ul style="list-style-type: none"> <li>○ With the good season it is expected to be a potential big fire season and concern was raised about fires near well sites, the need to advise energy company personnel of planned hazard reduction burns,</li> <li>○ Peter T, CLRN, as fire warden, advised that gas companies would be advised as per the neighbours section in procedures.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Discussion on Who is responsible if there is damage to property?</li> <li>○ Gas companies have their own emergency equipment</li> <li>○ The companies need to be working with local Rural Fire Brigade and local fire wardens on a plan</li> <li>○ Tight timeframe as reduction burns will be starting in the next 6 weeks.</li> </ul> <p><b>ACTION</b> – Companies asked to advise at the next meeting on the potential damage or risk if a bush fire were to go over a well site.</p> <ul style="list-style-type: none"> <li>○ Discussion on smoking policy of companies on grazing country. If a property has a no-smoking policy how does this effect energy company workers on that site?</li> </ul> <p><b>ACTION</b> – All CSG companies to check on currently smoking policies and the implementation on landholders properties and report back to the next meeting.</p> <p><b>Drilling Safety</b></p> <ul style="list-style-type: none"> <li>○ Andrew B, DERM, spoke to the drilling standards. The currently minimum would be as per a water bore.</li> </ul>
<p><b>Item 5 What is a 'Housing Unit'</b></p>	<p><b>What is a 'Housing Unit'</b></p> <ul style="list-style-type: none"> <li>○ Ray J, WDRC spoke of the housing strategy committee the council has formed with Ray J as the chair, <ul style="list-style-type: none"> <li>○ Will employ a consultant to go forward on the strategy</li> <li>○ Wish to have industry on the committee and would like a coordinated approach to meet the EIS requirements across the companies</li> <li>○ QGC and Origin have spoken with council</li> <li>○ Engaging with ULDA</li> </ul> </li> <li>○ Keith D, Coordinator General, <ul style="list-style-type: none"> <li>○ Approved of the WRDC approach and suggested they look at what Gladstone has been doing</li> <li>○ Highlighted that EIS are done on worker estimates</li> </ul> </li> <li>○ Robert L, MRC, spoke on the frustration of the ULDA process <ul style="list-style-type: none"> <li>○ The first 24 units are proposed to be finished in Nov 2011</li> <li>○ Santos waiting for state and Coordinator General conditions on the integrated housing strategy</li> </ul> </li> <li>○ James P, Santos indicated they were close to closure on the plan for the whole project including Gladstone</li> <li>○ Brett S, QGC, advised that a 'housing unit' was considered to be a house or unit, not just a bed <ul style="list-style-type: none"> <li>○ Have done significant work with final submission lodges 8/07/11</li> <li>○ Gladstone area would be first, and building has started</li> <li>○ WDRC have provided a framework</li> <li>○ Expecting approval soon</li> </ul> </li> <li>○ Janet H, Origin, advised that Origin are fully integrating with the other industry in Gladstone <ul style="list-style-type: none"> <li>○ Have developed three different strategies for three different regions to meet the need</li> </ul> </li> </ul>
<p><b>Item 6 Implementati on of the EIS approval conditions</b></p>	<p><b>Implementation of the EIS approval conditions</b></p> <ul style="list-style-type: none"> <li>○ Brett S, QGC, informed the group that major reporting cycle was starting and they have employed a person to coordinate the framework and the report <ul style="list-style-type: none"> <li>○ Have a six monthly reporting cycle for most targets, with a three monthly report on some parts</li> </ul> </li> <li>○ Keith D, CG, confirmed that the Premier had announced that the housing report would be public <ul style="list-style-type: none"> <li>○ He currently has 6 staff</li> <li>○ Will rely on companies who provide a third party audit</li> </ul> </li> </ul>
<p><b>Other Business</b></p>	<p><b>Signage on pipelines</b></p> <ul style="list-style-type: none"> <li>○ Ian H, BSA raised the issue of signage across a property and the need to investigate other methods.</li> <li>○ Peter T, CLRN, agreed that the current system had a large visual impact</li> </ul> <p><b>ACTION</b> – add signage to the next Landholder engagement working group agenda</p>

	<p><b>ACTION</b> – invite a representative from DEEDI to speak on the safety regulations at the next meeting</p> <p><b>Good news stories</b></p> <ul style="list-style-type: none"> <li>○ Robert L, MRC, Highlighted the massive success of the <b>Careflight Helicopter</b> based at Roma. The story needs more publicity <ul style="list-style-type: none"> <li>○ Liaising with the Flying Doctor</li> <li>○ Would like the doctor allocated to the helicopter crew to be available for community work in Roma, as more doctors are needed for the region and this is an under used resource.</li> </ul> </li> <li>○ Peter T, CLRN, highlighted it was the CSG that kept the lights on during the recent floods when the coal mines were inundated or cut off.</li> <li>○ Randall C, QWC, invited to the group to QWC office after this meeting</li> </ul>
<p><b>Summary of proposals and action items</b></p>	<p><b>ACTION 1 - Dan Galligan, QFF, Sue Horne, Origin and Ian Burnett, AgForce,</b> to meet to progress discussions on training submission and landholder service agreements.</p> <p><b>ACTION 2 – Terry Wall, DERM,</b> Will report back to the next meeting on the development of a 3D presentation to go with the current vodcasts DERM are producing.</p> <p><b>ACTION 3 - Keith Davies, Coordinator General,</b> will contact Department of Transport and Main Roads (DTMR) to coordinate an urgent meeting regarding the Warrego Highway and Range crossing.</p> <p><b>ACTION 4 – Dan G, QFF</b> to coordinate a meeting of QFF, AgForce and landholder groups prior to the next landholder working group meeting to form an agreed position</p> <p><b>ACTION 5 –</b> need to publicise that companies are working together and with QWC on the water issues</p> <p><b>ACTION 6 – Terry W, DERM,</b> will provide the CSG Water policy to the group for consultation</p> <p><b>ACTION 7 – Terry W, DERM,</b> will commit someone from the DERM policy section to attend the water working group.</p> <p><b>ACTION 8 – CSG Companies</b> to write to Keith D, regarding the proposal to use the one group and for John C to be invited onto that group chaired by Barry Braithwaite.</p> <p><b>ACTION 9 – Companies</b> asked to advise at the next meeting on the potential damage or risk if a bush fire were to go over a well site.</p> <p><b>ACTION 10 – All CSG companies</b> to check on currently smoking policies and the implementation on landholders properties and report back to the next meeting.</p> <p><b>ACTION 11 – Amanda</b> to add signage to the next Landholder engagement working group agenda</p> <p><b>ACTION 12 – Amanda</b> to invite a representative from DEEDI to speak on the safety regulations on signage at the next meeting</p>
	<p>John C recapped the meeting and highlighted that there needed to start the discussion with finance, valuers and the real estate sectors. He also raised the need to keep Health in the discussion and the DG for Education and training.</p> <p><b>Meeting Close: 12.35 pm</b></p> <ul style="list-style-type: none"> <li>• <b>Next meeting – details to be sent with date and location</b></li> <li>• <b>Future agenda items for the SB meeting to be sent to Amanda Thomas</b></li> </ul>