

Hunter Gas Project

UPDATE | DECEMBER 2009

Groundwater Monitoring Investigations

As you may be aware, AGL is exploring for natural gas throughout the Hunter Valley and in Broke and Bulga.

The Issue:

The shallow groundwater resources are important for stock, domestic and local irrigation purposes.

It is critical to protect local shallow groundwater, such as bores and streams, from potential leakages and possible contamination.

What we did:

A groundwater investigation and monitoring program was developed by Parsons Brinckerhoff (PB), AGL and the Bulga Community Consultative Committee (BCCC) to help the community understand what impacts, if any, there might be on groundwater as a result of exploration for natural gas.

PB has carried out a comprehensive investigation program at Broke over the last six months, with preliminary results now available.

The program involved identifying the current groundwater resources, then testing what happens to the shallow water resources if water is extracted from the coal seams.

The BCCC has been involved in the development and implementation of the program and the peer review process.

Regular updates on the program have been provided to the BCCC by PB and independent peer reviewer Professor Garry Willgoose from the University of Newcastle.

Results so far:

Initial test results indicate no change in water levels, no leakage of water and no change in water quality in the shallow water resources (at 30 November 2009).

This is indicative that there is no connectivity between the shallow water zones used by the local community and the deeper coal seams that are being targeted for gas exploration.

Next steps:

Further investigation and analysis work is continuing, with a final report expected in early 2010.

To provide confidence in the results, both the monitoring process and the results are being independently peer reviewed by Professor Willgoose.



How to find out more:

AGL is committed to helping the community understand the monitoring process and results, to protect local water resources.

We will provide more information as the program is finalised in consultation with the BCCC.

If you would like more information check our website www.agl.com.au/huntergasproject

If you have questions, please contact:

Siobhan Barry
Land & Approvals Manager

(02) 9921 2617
0439 214 085
sbarry@agl.com.au

Hunter Gas Project

UPDATE | DECEMBER 2009

Energy in
action.®

AGL

Groundwater Monitoring Program pictures

Below: equipment set up at the gas exploration pilot well (HB02) at Broke in early October 2009 to test what happens to the shallow groundwater resources if water is extracted from the deeper coal seams.

Equipment on site from left to right: enclosed flare, flare line, wellhead compound, generator to power the pump (yellow), pump (high above wellhead compound) and water tanks.



Right: Parsons Brinckerhoff staff taking groundwater samples in May 2009 for laboratory analysis to identify groundwater quality and resource characteristics.



**Have a safe and happy festive season, and
Best wishes for a prosperous 2010
from the team AGL Energy.**