



Energy in
action®



AGL Gloucester Gas Project. Coal Seam Gas Exploration: A Landowner's Guide.

Background.

The Gloucester Basin is an emerging coal seam gas (CSG) supplier to the NSW market. The Gloucester Gas Project is a CSG project located near Stratford, NSW, approximately 100 kilometres north of Newcastle. The project is wholly owned and operated by AGL.

The project is situated within Petroleum Exploration Licence (PEL) 285, which fully encompasses the Gloucester Geological Basin in New South Wales. This PEL was issued under the Petroleum (Onshore) Act 1991.

The Project has been declared by the Minister for Planning as a Major Project under the Environmental Planning and Assessment Act 1979 (NSW) which requires it to have an Environmental Assessment (EA).

In March 2011, the independent NSW Planning Assessment Commission approved the Gloucester Gas Project.

The Gloucester Gas Project includes:

- > The Stage 1 gas field development area, including 110 gas wells and associated infrastructure;
- > A central processing facility to treat gas and water;
- > A gas transmission pipeline between the central processing facility and the existing gas supply network at Hexham; and
- > A delivery station at Hexham to connect the transported gas to the existing Sydney-Newcastle trunk pipeline.

PEL 285 was granted to Pacific Power in 1992. In 2002, Lucas Energy Pty Limited (as operator) and Molopo Australia Limited purchased the PEL from Pacific Power in 2002. In late 2008, AGL purchased PEL 285 from Lucas and Molopo.

AGL's exploration activities in Gloucester have included seismic surveys, core holes and production test pilot wells. All of AGL's exploration activities are subject to EAs and strict statutory regulatory approvals.



▲ Stratford 7 well in Gloucester.

About us

Formed in 1837, AGL Energy Ltd is Australia's largest renewable energy company, selling gas, electricity and energy related services to more than 3.2 million customers across NSW, SA, VIC, and QLD.

AGL is committed to creating a sustainable energy future for our customers, investors and communities. The company is Australia's largest private owner, operator and developer of renewable generation assets. AGL is expanding its gas exploration and production to facilitate long term supplies for its domestic customers.

For more Information

If you would like to know about how we are meeting and exceeding our regulatory requirements, our groundwater studies or anything else about our operations in Gloucester please contact the Gloucester Gas Project team.



▲ Gloucester drill site

Your land.

We respect the importance of your land to you and your family.

Before any work can commence on land owned by others, AGL must enter into an access agreement with the landowner. This agreement states exactly what work may occur on the land and compensation arrangements for that work.

We recognise that some of our work may affect your normal activities and your plans.

It is important we understand your situation when we negotiate an access agreement so that we ensure that our exploration can co-exist with your land, your activities and your life. That's why we have a dedicated team to work one on one with landowners to guide you through the exploration process and answer your questions.

There are no one-size-fits all solutions when it comes to exploration and land access. Each landowner has different needs and expectations and each project is different. To find the best solution to suit you, AGL will sit down with you and plan suitable times and locations for our work, to fit our activities to the way you use your land.

AGL undertakes to:

- > Respect your privacy, property and business activities;
- > Ensure our activities are well managed and cause minimal or no disruption to your daily life;
- > Take the time to understand the current and future land use of the proposed area;
- > Come to an agreement before any work occurs on your land;
- > Keep you fully informed at each stage of the exploration work; and
- > Answer any questions or concerns.

AGL is committed to helping the community understand our exploration activities and the management measures in place to protect the local environment.

Strict conditions are attached to exploration licences which require any site of disturbance to be rehabilitated and returned to its pre-operations state. The Department holds a substantial bank guarantee to be used in case the licence holder fails to rehabilitate the area in accordance with our agreement with the landholder and to the Department's satisfaction.

Energy in
action.®

AGL

Gloucester Gas Project

PO Box 335
22 Tate Street, Gloucester NSW 2422

Phone: (02) 6558 1166

Fax: (02) 6558 1066

Website: <http://agl.com.au/gloucester>

