









AGL's Gloucester Gas Project Gloucester Community Forum

John Ross| Hydrogeology Manager Upstream Gas 16 May 2013 | External

Water matters

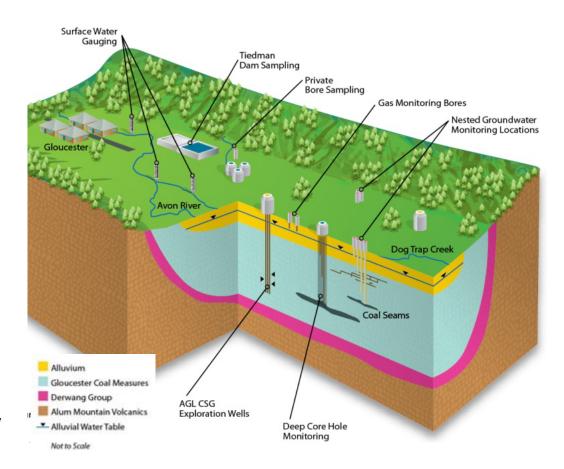
- Water resources
- Produced water management



Primary water issues at Gloucester

Protecting water resources and produced water management

- > Basin wide water studies:
 - » Geology and geological structure
 - » Hydrogeology and hydrology
 - » Data and monitoring networks
- > Connectivity of surface water and groundwater:
 - » Beneficial aquifer leakage
 - » Beneficial aquifer contamination
- > Impact on downstream water resources:
 - » Local catchments and farm uses (volumes and water quality)
 - » Manning River and Mid Coast Water supply sources (volumes and water quality)





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What have we done?

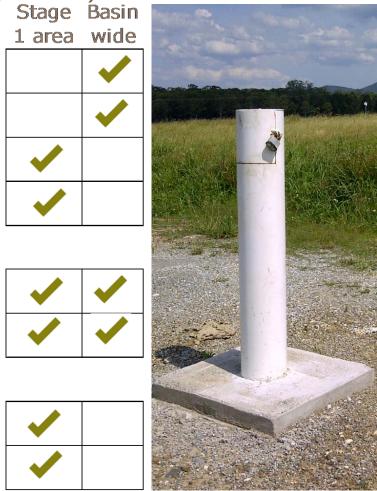
Activities prior to project approval (February 2011)

- > Geological assessment (2005)
- > Seismic investigations (2009 & ongoing)
- > Pilot testing program (Stratford)
 - » 9 gas production wells (2006-2009)
- > Phase 1 hydrogeological studies
 - » Published URS study (2007)
 - » Published SRK study (2010)
- > Phase 2 hydrogeological studies
 - » Design of field studies (2010)

» Installation of first dedicated monitoring bores (2010)

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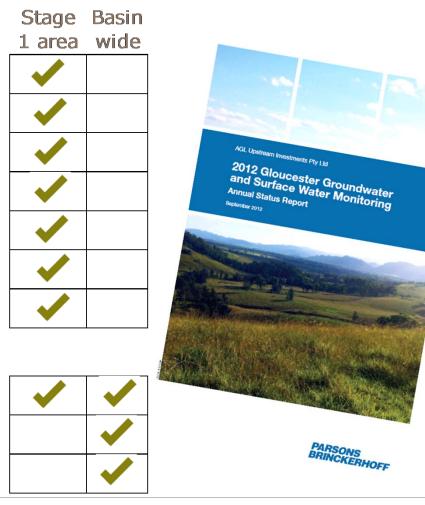
What have we done?

Activities post project approval (February 2011 to May 2013)

- > Phase 2 hydrogeological studies
 - » Published PB Phase 2 Study (2012)
 - > >40 monitoring bores and gauging stations
 - » Ongoing water monitoring
 - » Released annual monitoring report (2012)
 - » Drilled Waukivory monitoring bores (2012)
 - » Completed initial fault investigations (2012/13)
 - » Commenced irrigation trial (2013)
- > Phase 3 hydrogeological studies
 - » Water balance report (2012)
 - » Water balance update (2013)
 - » Updated conceptual model report (2013)

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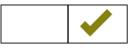
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What is underway?

Activities will be completed pre-construction

- > Phase 2 hydrogeological studies
 - » Ongoing water monitoring
 - » Annual monitoring reports (Sept/Oct each year)
 - » Waukivory pilot program
 - » Property surveys
 - » Hydrological studies
 - » Irrigation trial
 - Surface and groundwater monitoring
 - Soils monitoring program
- > Phase 3 hydrogeological studies
 - » Numerical model
- > Other broader basin studies:
 - » Phase 1 study of the remaining basin
 - » Remote monitoring bores
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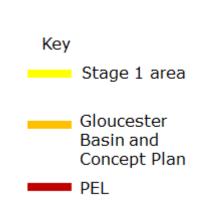




The Gloucester Basin is the most-studied geological basin in Australia

- > By end of 2013, AGL will have -
 - » Extensive seismic and aeromagnetic surveys
 - » >55 monitoring locations across the basin
 - » Comprehensive conceptual model, water balance and numerical model of whole basin
- AGL studies will continue to expand in areas outside of the Stage 1 area
- In parallel, the independent bioregional assessment project is commencing for the Gloucester Basin
- Sponsored by SEWPaC and OWS/IESC, and due for completion within 12-18 months







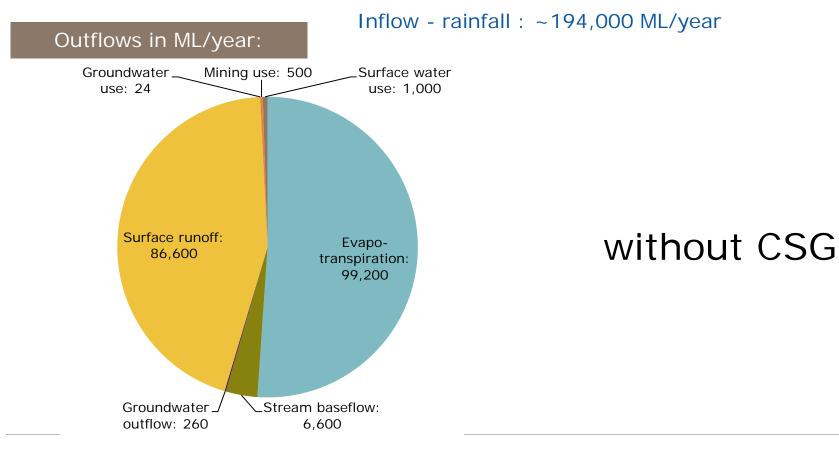
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Water resources with & without CSG

Without any AGL activities:

- > Lateral flow, negligible vertical flow at depth
- > Natural water balance (prelim) for northern basin:



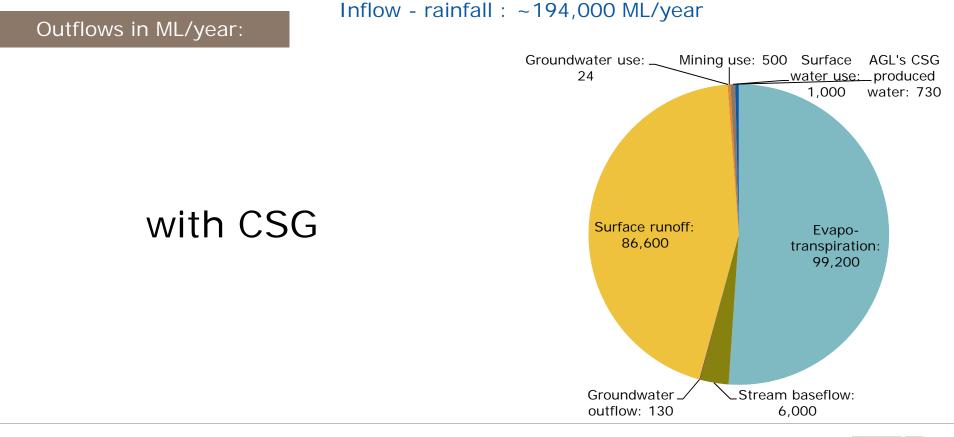
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Water resources with & without CSG

With AGL Stage 1 CSG activities:

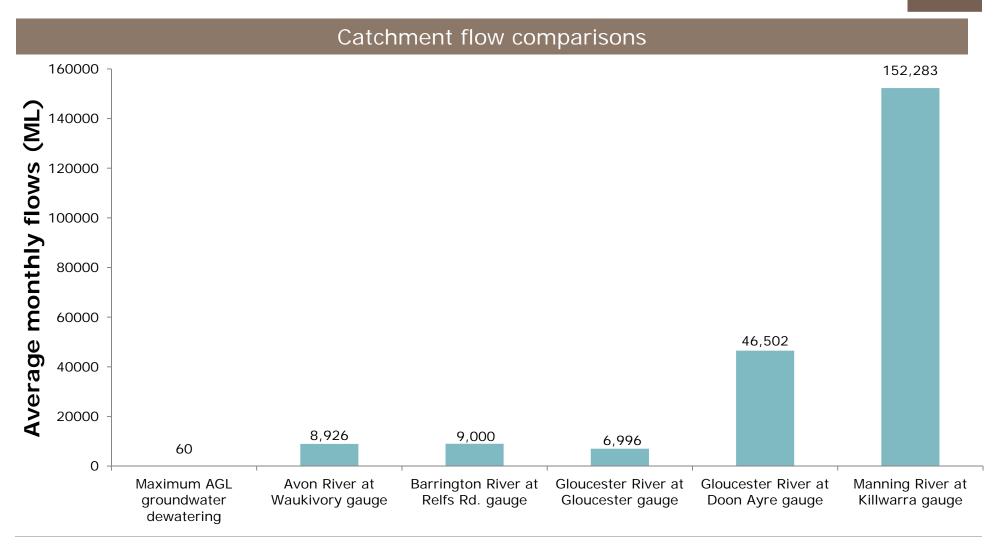
- > Increased lateral flow in coal seams, some increase in vertical flow
- > With CSG water balance (very prelim) for northern basin:





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No impact on surface water flows

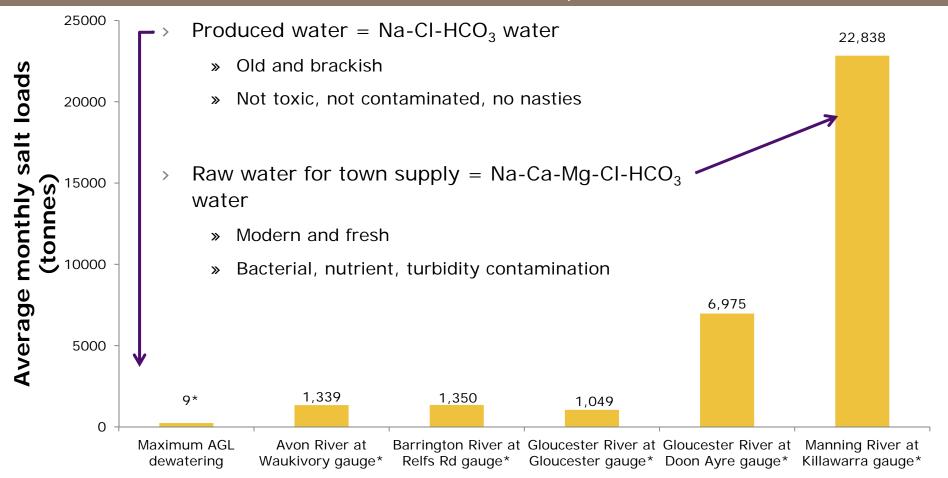


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No impact on surface water flows

Catchment salt load comparisons



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* Assumes all surface / treated waters are 150 mg/L TDS



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