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Demonstration at Santos pilot well site

Santos notes the presence of a protest group at a coal seam gas pilot well site near Spring Ridge, about 70kms south of Gunnedah in northern New South Wales.

Santos is proposing to drill one pilot well and one water monitoring well on the site in coming weeks.

The water results to be obtained from the Spring Ridge site will be an important source of additional scientific information to the Namoi Catchment Water Study, an initiative Santos supports and funds.

Santos has been discussing its planned activity at Spring Ridge with the local community for over 18 months. All neighbouring landholders have been advised.

The company's repeated offers to brief the group organising this morning's protest have not been accepted.

Santos Vice President Eastern Australia James Baulderstone said the company noted the genuine concerns of many people in regional communities about the expansion of the CSG industry, and highlighted that information obtained from pilot well programs was an essential source of data to enable informed decisions on the location and scale of any CSG development.

"We do understand there are concerns about the potential impact of CSG activity on the Liverpool Plains, a very important food producing region – and we have planned our drilling activity at Spring Ridge with that in mind."

Pilot tests are performed to obtain additional information (permeability, coal seam pressure, gas and water volumes and quality) about gas bearing coal seams. Pilot testing helps Santos to understand the information from the exploration core holes in more detail. It also allows water management methods to be trialled for use in the region.

"The facts we will obtain from this work will go a long way to establishing that CSG development can be done safely, environmentally sustainably and in partnership with agriculture."

After pilot well activity is completed, it would be several years before any commercial development could occur, and then only after extensive environmental impact assessments and with all appropriate regulatory approvals.

"Santos is committed to working with regional communities to develop their natural gas resources safely and sustainably, while maintaining their vital role as food producers," Mr Baulderstone said.

Ends.