

## Coal-seam gas pollution spill went unreported

**ANTHONY KLAN** THE AUSTRALIAN JANUARY 14, 2012 12:00AM

**COAL-SEAM gas giant Santos has admitted a company it now owns last year spilled 10,000l of polluted waste water in the Pilliga State Forest, in northern NSW, potentially contaminating 1.2ha of bushland.**

Santos, which bought fellow coal-seam gas operator Eastern Star Gas in November last year, said the spill had occurred in June and the incident had not been reported to authorities at the time.

The NSW government yesterday said such spills were required to be reported by law and it was "pursuing enforcement actions" relating to the spill, "including the potential for prosecution".

Coal-seam gas extraction produces water that is typically salty - it can kill fauna and contaminate soil - and can contain a range of chemicals, including some that cause cancer.

Santos spokesman Matthew Doman said the group had conducted a "preliminary" investigation into the spill but the composition of the water was unclear other than that it was "saline".

The spill had occurred as a result of a "pipeline failure".

Mr Doman said Santos was reviewing all of Eastern Star's "plans, systems and activities" and Santos had notified NSW authorities of the spill on Friday last week.

Alarm bells about conditions at the site were first raised in October when a local environmental group contacted NSW authorities to report that trees were dying in the area and dead animals had been found in the vicinity of the CSG operations.

Mr Doman was yesterday unable to state when Santos first became aware of problems at the site or when the company first became aware of the October complaint to NSW authorities.

Announcements about the spill from Santos and the NSW Department of Trade yesterday came days after grazier Tony Pickard noticed a "black tarry substance" spreading for about 500m along the ground and contacted local media.

"Santos initially tried to tell me it was from the eucalyptus trees and I told them they had hairs on the palms of their hands," Mr Pickard told The Weekend Australian yesterday.

Mr Doman said it was unclear at this stage whether or not that black tarry substance was related to the June spill and its investigations were continuing. The NSW Department of Trade said it was working with the Environmental Protection Authority to "further investigate the incident".

Mr Doman said most of the senior management of Eastern Star had been replaced at the time of the takeover, but Santos had retained most other workers.

The Weekend Australian was yesterday unable to contact David Casey, the former managing director of Eastern Star who headed the company at the time of the spill.

Greens mining spokesman Jeremy Buckingham said the NSW government had displayed it was incapable of policing the environmental impacts of coal-seam gas extraction.

"Santos has shown it is no different to other gas companies," he said.

"They are using the tried and tested model of deny, deny, deny and then when forced by overwhelming evidence into a mea culpa, they claim to be co-operating with authorities."