

Is the Labor Party looking after country Victoria?

All our rural and regional communities have a common theme - we live, invest in and represent our regions to support the future prosperity of well-connected communities that add diversity to Victoria's economy.

Unfortunately, we also have a common threat to our livelihoods - poor government policies.

Currently, the Country Labor Executive (CLX) is actively advocating for onshore conventional gas extraction stating it is safe¹. CLX is being opaque with the facts.

What does CLX mean by the term "safe" and why is CLX not advocating for a domestic gas policy?

The difference between conventional and unconventional gas extraction.

The geological formation determines conventional or unconventional gas EXTRACTION.

Conventional gas is trapped in naturally porous reservoir formations (eg. sandstone) by impermeable rock strata. When intercepted by a well, gas is able to flow into the well bore via transfer of pressure. As the reservoir depletes & pressure decreases, artificial lift or pump is required.

Unconventional gas is formed in more complex geological formations (tight rock, shale or coal seams) limiting the ability of gas to migrate. Therefore, different methods are required to extract the gas over the three phases.

Wellbores are just holes drilled conventionally for the purpose of extracting hydrocarbons. They can be drilled vertically, directionally and/or horizontally and have three phases **for all types of gas extraction**.

1. **Drilling with drill pipes** is the first phase of every wellbore. Drilling mud cools the drill bit and carries the rock cuttings, i.e. the cut rock, back to the surface.
2. **Lining with casing** - the outer tubes which lines the wellbore.
3. **Production with tubing** - tubing transports the gas from deep in the well to the surface – the third phase.

CLX has not declared the risks from onshore conventional gas drilling. Nor have they stated that the little amount of gas available in West Victoria will not solve Victoria's gas shortage in the absence of good policy.

Some of the onshore site hazards for conventional gas extraction **under exploration** on public & private land.

- Storage of hazardous chemicals for drilling > in violation of mortgage contract for landowners
- Use of production chemicals for drilling muds (proprietary knowledge)
- Discharge onsite of drilling muds along with cuttings, reject water and Produced Formation Water (BTEX, PAH, NORMs, heavy metals & Alkyl phenols) - wastewater ponds are needed > health/environmental risk exposures
- Significant flaring causes fugitive emissions & local air pollution generated by toxic gases > health risks
- Blowouts, chemical/hydrocarbon spills, well integrity or surface casing failures & fires > health/environmental risks.

Offshore hazards include wastewater being tipped over the side of rig with significant compliance regulations for chemical storage, accidents & discharges. Onshore - how is this practice safe on rural land when an onshore gas rig can be located 100mts from a house?

Landowner risks

- no right of veto (binding land access agreement leading to mortgage contract obligations) > financial, legal risks
- Inappropriate buffer zones (noise, odour, light dust pollution, toxic chemical exposures) > health, economic, legal & social risks
- Real potential for surface/groundwater contamination from leached industrial chemicals use
- Conflict with water access & rights
- Increased fire risk
- Impacts to business/agribusiness investments
- Decrease in property values
- Obligating well maintenance post government signoff binding on subsequent landowners into perpetuity.

FACT - The Gippsland legacy of gas extracted offshore for decades has been a depleted onshore aquifer² and coastal subsidence.

FACT- The onshore legacy of gas exploration on private & public land is abandoned & non-rehabilitated wells.

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¹ CLX February 2020 Questionnaire

² <http://www.communityovermining.org/Hattonetal2004.pdf>