



Speech by

## Hon. Stirling Hinchliffe


MEMBER FOR STAFFORD

Hansard Wednesday, 25 May 2011

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### MINISTERIAL STATEMENT

#### Arrow Energy, CSG Wellhead Leak

 **Hon. SJ HINCHLIFFE** (Stafford—ALP) (Minister for Employment, Skills and Mining) (9.57 am): I take this opportunity to provide the House with an update about the Arrow Energy CSG wellhead leak that occurred west of Dalby on Sunday. I can report to the House that it was successfully plugged by Arrow at 11.20 am on Monday. While the successful rectification of the situation is welcome, the Department of Employment, Economic Development and Innovation's Mine Safety Inspectorate will continue to investigate what went wrong, why it went wrong and why strict industry reporting regulations apparently were not followed.

There have been particular questions raised about why it took workers on the ground so long to notify authorities and the landholder of what was a very significant event. While the incident occurred at 8.20 am, email notification was sent at 10.20 am and a follow-up phone call was made at 4.30 pm. In a situation like this, an email on a Sunday morning, two hours after the event occurred, is clearly not an adequate response. To put it simply, the tardiness in reporting this matter is unacceptable and it shows contempt for the rules and no respect for the landholder or regulating authorities.

DEEDI and DERM staff are now carrying out a full and frank investigation of this incident. If Arrow or any of its contractors have done the wrong thing, there will be consequences. Failure to notify of an event can attract a fine up to \$50,000. Already we have identified that the contractor involved was due to undergo a standard audit of its Moranbah operations. That audit will now be extended state-wide.

In a separate incident, a significant diesel spill on Arrow's Moranbah gas fields project occurred yesterday afternoon. Arrow notified landholders, neighbours and authorities. Contaminated soil has been contained and will be removed by a licensed contractor. DERM will continue to monitor the situation.

For the CSG industry to safely advance in Queensland and to put our state on the map as a leading exporter of LNG, the strictest environmental standards must be upheld. This government has put the strongest regulations in place to regulate the CSG industry and will heavily enforce them when and wherever necessary.