

APPENDIX 1 – CSG ASSESSMENT

Table A1. CSG Assessment Criteria

Assessment Criteria (MR Act 1989)	CSG Assessment Criteria
318AP(1)(a)	CSG statement – the Applicant will maintain compliance with the provisions of the Chapter 4 of the MERC Act that govern the overlapping tenure associated with this MLA.
318AP(1)(a)(i) & (ii) CSG statement	<p>The likely effect of proposed coal mining on the future development of petroleum production from the land is considered low due to the maturity of the CSG tenements that overlap the MLA.</p> <p>The Applicant considers that coordinated petroleum production and coal mining from the land are technically and commercially feasible. The Applicant commits to continuing consultation with any overlapping tenement holder about the MLA should any PLs be granted.</p>
318AP(2)(a) - IDP requirement	See IDP accompanying the MLA.
318AP(2)(b) - Business interests of the parties	<p><u>Bowen Basin Coal (BBC)</u> The BBC company structure is outlined in section 1 of the IDP. BBC is the 100% applicant of the Lake Vermont Extension Project MLA and holder of the underlying MDLs 303 and 429. BBC has defined the areas of prospectivity within MDLs 303 and 429 suitable for commercial productions via a granted ML.</p> <p><u>Authority to Prospect (ATP) holder (Arrow)</u> The Arrow company structure and BBC's relationship with Arrow is outlined in section 17 of the IDP.</p>
318AP(2)(c) - Effect of proposed timing and rate of mining and the development of petroleum	<p>Underground and open-cut coal mining:</p> <ul style="list-style-type: none"> ▪ are proposed to occur within the MLA and ATP 1103 overlap area. Mining activities will access or release incidental CSG. ▪ is not currently proposed in the overlap area of the MLA with ATP 1031. <p>The Meadowbrook Project will include the pre-drainage of coal seam gas using, for the majority, cross-block UIS drilling due to the substantial non-productive build sections required for SIS at depth and high drainage density requirements for low permeability environments. SIS drainage will be used for the initial development areas or where access/timing was not feasible for UIS.</p> <p>An effective drainage time of three years for SIS and six months for UIS drainage has been assumed. Both drainage types assume a residual gas content at the completion of drainage of 4m³/t.</p> <p>A conservative approach to drainage design is required to ensure effective drainage between boreholes in a low-permeability environment where the borehole spans variable depth ranges. For SIS, this requires applying a spacing suitable for the borehole's maximum depth, while UIS spacing can be incrementally varied with depth.</p> <p>To mitigate the likely effect of coal mining on the future development of petroleum production from the land, the Applicant will comply with the mandatory requirements for overlapping tenure set out under Section 117 of the Mineral and Energy Resources (Common Provisions) Act 2014 (Qld) (MERC Act).</p>
318AP(2)(c)(i) - Proposed timing and rate of coal or oil shale mining and the development of petroleum from the land	Annual production levels and timings are outlined in sections 1, 2, 6 and 8 of the IDP. The Applicants are unaware of any immediate proposal to develop petroleum from the MLA area. Thus, no effects are expected on petroleum development from the land. The Applicant commits to continuing consultation with any overlapping tenement holder about the MLA should any PLs be granted.
318AP(2)(c)(ii) - Potential to make a coordination agreement	BBC's relationship and ongoing discussions with Arrow are outlined in sections 17 and 19 of the IDP. This working model and arrangement between both parties will continue for the use of incidental coal seam gas at the Project site.
318AP(2)(c)(iv) - Economic and technical viability of concurrent or coordinated coal mining and the development of petroleum	The Applicant notes that at the time of this application being lodged, there are no petroleum leases (PLs) or applications for a petroleum lease in the MLA area.

	The Applicant commits to continuing consultation with any overlapping tenement holder about the MLA should any PLs be granted. As identified in sections 17 and 19 of the IDP, consultation with Arrow will continue.
318AP(2)(c)(v) - extent, nature and value of coal mining and the development of petroleum	An assessment of the coal resource has been completed and is discussed in section 10 of the IDP.
318AP(2)(c)(v) - public interest	Public Interest considerations are provided in Section 16 of the IDP.
318AP(3) - for MLA under s234(1)(b) mining in the land includes a reference to mining in other land associated with the lease	The Applicant is seeking a 234(1)(a) mining lease to produce coal. No associated mining leases are sought, such as a 234(1)(b) mining lease.