

Tamboran Litigation — Background Brief — February 2023

The Central Australian Frack Free Alliance ('CAFFA') and the Environmental Defenders Office have launched a legal challenge to the NT Government's approval of gas company Tamboran Resources' plan to drill and frack 12 gas wells on EP98 in the Beetaloo Sub-basin.

The Minister approved the '[Environmental Management Plan](#)' ('EMP') for the 12-well exploration program in November 2022.¹ The EMP was originally prepared by Origin Energy before it [sold](#) EP98 and its other Beetaloo assets to Tamboran last year.

A general fact sheet concerning shale and tight gas extraction can be found on Lock the Gate's website [here](#).

Tamboran Resources

[Tamboran Resources](#) is a gas exploration minor, one of three main companies seeking to develop an onshore fracking gas industry in the Beetaloo Sub-basin.

Tamboran is ASX-listed. Its major investors include:

- [Bryan Sheffield](#), Texan billionaire whose family is in the oil and gas industry
- [Helmerich & Payne](#), the US's biggest oil & gas drilling contractor

Tamboran has also [secured](#) a 'super-spec FlexRig' drilling rig from Helmerich & Payne, which they are importing into Australia to drill 4km+ long horizontal fracking wells (significantly longer than fracking wells in Australia to date).

Tamboran [wants to sanction the 'Amungee Pilot Development on EP98 this year](#)', with a stated goal of commercial production by the end of 2025.

Tamboran [received](#) \$7.5m from the Morrison Government's 'Beetaloo Cooperative Drilling Grants Program' and appeared before the Senate Inquiry into that grants program last year, after initially [refusing](#) to give evidence.

Acquiring Origin's share of tenements in the NT means Tamboran is now in a joint venture partner with Dublin-based Falcon Oil and Gas, which [came under fire for having ties to Russian oligarch Viktor Vekselberg](#). Falcon Oil and Gas [was also accused of attempting to bribe](#) South African officials in order to amend legislation that restricts fracking in its favour.

The EMP

The EMP would see Tamboran drilling, fracking and testing 12 gas wells across 4 sites on EP98, as well as associated land clearing and construction works.

¹ NT Department of Environment, Parks and Water Security, 'Environment management plan decisions' - see first item in table
<<https://depws.nt.gov.au/onshore-gas/environment-management-plan/approved-emps>>.

Key impacts from these activities described in [the EMP](#) include:

- 522,172 tonnes of greenhouse gas pollution (CO₂-e)
- Clearing ~107 hectares of remnant native vegetation, affecting multiple threatened species including the Gouldian Finch, Grey Falcon and Plains Death Adder
- Extracting and using 430ML of groundwater from the Cambrian Limestone Aquifer

Pepper Inquiry recommendations

The Scientific Inquiry into Hydraulic Fracturing in the NT ('the Pepper Inquiry') handed down its [final report](#) in March 2018. The Inquiry found that the social, cultural and environmental risks of fracking could only be minimised if all of its 135 recommendations were implemented, and the industry was closely regulated.

The NT Government set a deadline of meeting all recommendations by the end of 2022, after committing in a [bilateral energy and emissions agreement](#) with the previous Federal Government to facilitate first production in the Beetaloo by 2023. The Beetaloo was one of the Morrison Government's 'strategic basins' for its 'gas-fired recovery' policy.

The Government did not meet its deadline and many recommendations remain unfulfilled, or the implementation actions taken fall short of the standard required by the Inquiry.

Key recommendations that have not been fully implemented, or for which there is no coherent plan for implementation, include:

- **Rec 7.3:** that the 'water trigger' for environmental assessment under the federal *Environment Protection and Biodiversity Conservation Act* applies to shale gas.
 - This was a Labor election promise but has *not yet been implemented*.
- (Multiple recs): that a Strategic Regional Environmental Baseline Assessment ('SREBA') be conducted for the Beetaloo, to identify environmental values and vulnerabilities and fill significant environmental data gaps - *not complete*.
- **Rec 9.8:** that the Federal and NT governments ensure there is no net increase to Australia's greenhouse gas emissions from onshore gas in the NT - *inadequate*.
 - None of the NT's new laws or policies impose any meaningful or binding obligation on companies or on the Minister to ensure that gas activities do not cause a net increase in emissions - see LtG [brief](#) on rec 9.8 for more info.
 - The [proposed Safeguard Mechanism reforms](#) might cover scope 1 emissions from a future Beetaloo development, but not downstream (scope 3) pollution.
- **Rec 14.4:** that buffer zones (where no exploration is permitted) should be established around areas of high tourism value, high ecological value, and cultural significance.
 - Buffer zones should be informed by research conducted under the SREBA, which is not yet complete. A buffer zone [policy](#) has been developed but few protected areas beyond existing national parks are yet in place.

Plans for and impacts from full-scale onshore gas in the Beetaloo

The NT Government predicts that over 6,000 wells could be drilled in the Beetaloo.²

² [Pepper Inquiry Final Report](#), 98.

Potential markets for Beetaloo gas include LNG export via the expanded terminal at Darwin port; the proposed petrochemicals and manufacturing hub at Middle Arm near Darwin; backfilling LNG export trains in Queensland, and the south-eastern states.

Key environmental and social impacts from a large-scale fracking gas industry include:

- *Huge greenhouse gas emissions* - [analysis from RepuTex](#) found that annual lifecycle emissions would average up to 89Mt per year under a ‘high production’ scenario - for comparison, the NT’s entire emissions footprint for 2020 was 17.3Mt.³
- *Over-extraction and contamination risks to groundwater* - the Pepper Inquiry concluded that the gas industry would require at least 2,500-5,000ML water/yr⁴, extracted from aquifers already relied upon by communities and other industries.⁵
 - Heavy localised extraction, and dewatering of aquifers as a result of fracking operations, can cause aquifer levels to drop, impacting other water users and groundwater-dependent ecosystem.
 - [Analysis of global unconventional gas environmental data](#) found that there is a 1:10 probability of surface water contamination from a spill at a gas site, and 1:100 chance of groundwater contamination.
- *Habitat destruction and pollution impacts to threatened species* - data about the biodiversity values of the Beetaloo is poor, but prospective gas sites are known to be home to multiple threatened species and ecological communities, including the Gouldian Finch, the Grey Falcon, and the Plains Death Adder, as well as [species of stygofauna only recently known to Western science](#).
 - Clearing for well sites and the massive pipelines required to transport gas from the remote Beetaloo site will have serious impacts on habitat and resources for local species.

³ See the Paris Agreement inventory data for the NT at <<https://ageis.climatechange.gov.au/>>.

⁴ Based on the gas industry development scenario put forward of 1,000 to 1,200 wells

⁵ [Pepper Inquiry Final Report](#), 128.

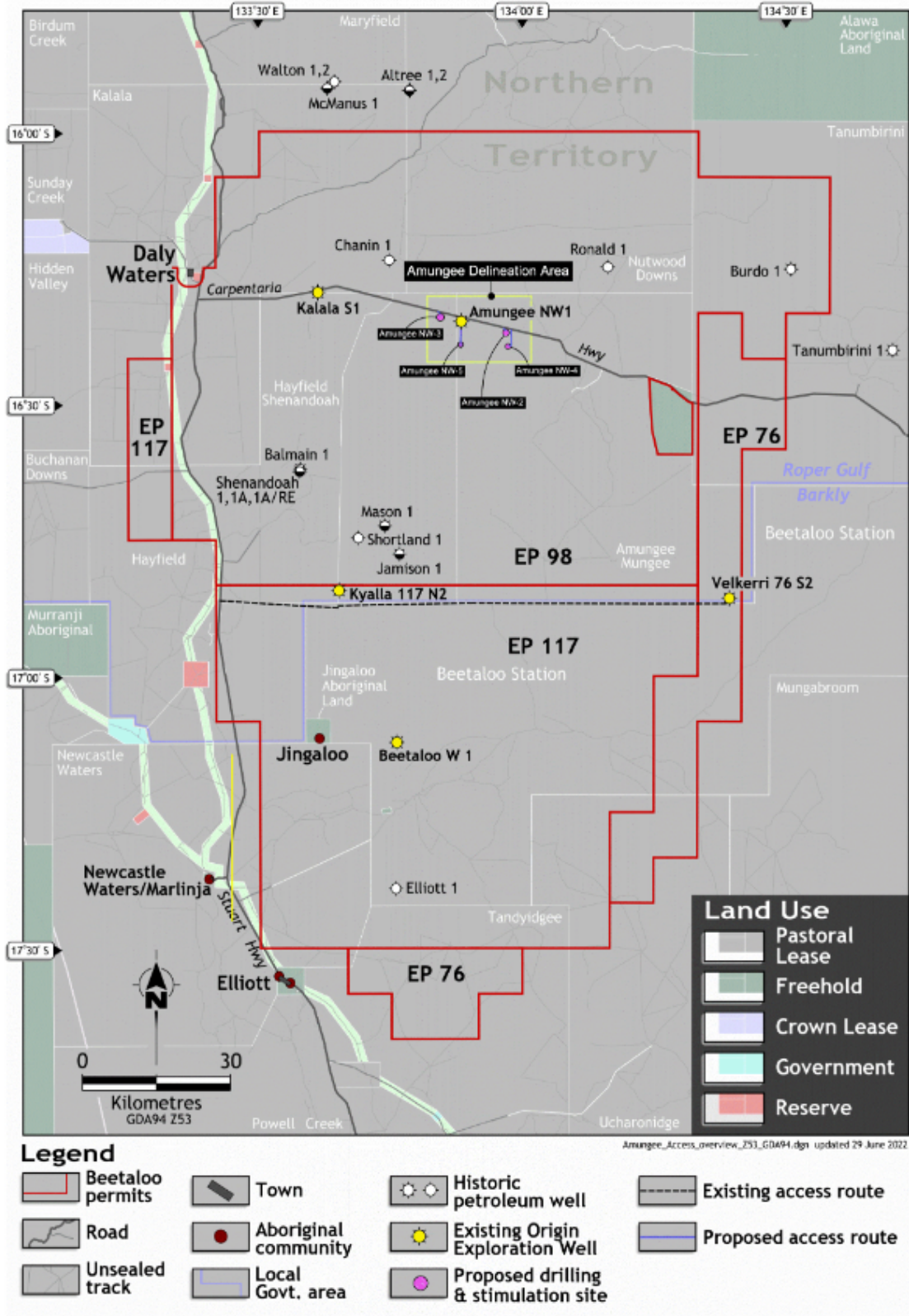


Figure 1: Location of the proposed 4 Amungee Delineation Area and proposed sites in relation to the existing Amungee NW site

Source: [EMP for EP98](#), approved 14 November 2022, p 13.