



Darwin - Julian Schuller

Please be advised that this transcript was produced from a video recording. As such, the quality and accuracy of this transcript cannot be guaranteed and the Inquiry is not liable for any errors.

05 February 2018

Darwin Convention Centre, Darwin

Speaker: Julian Schuller

Julian Schuller: Good morning.

Hon. Justice Pepper: Good morning. If you could please state your name, Ma'am, and if you're appearing on behalf of any organisation, please state the organisation. If not, just your name. Thank you.

Julian Schuller: My name is Julien Schuller. I'm not appearing on behalf of anybody.

Hon. Justice Pepper: Thank you. When you're ready, Ms. Schuller.

Julian Schuller: I understood that this was just a review, public hearing when I first saw it in the paper. So that's when I registered. So it's not actually a proper submission. I just wanted to comment on a couple of parts of the draft.

Hon. Justice Pepper: That's as much as a submission as we would hope for. Thank you very much.

Julian Schuller: Okay. Thank you. I would like to commend the hard work and the quality of the draft report ...

Hon. Justice Pepper: Thank you.

Julian Schuller: That the panel had put out. My first comment is on the abandonment of a well. I see in Chapter 5 that there is a recommendation that the minister will have to sign off on approvals. If an activity is undertaken without an approval in place, it will constitute a breach in the Petroleum Environmental Regulations and penalties will apply, and that you recommend the creation of a shale gas well abandonment fund in the NT. My comments were that in further to this, in some instances, companies may have banished without resource, without recourse to the minister for approval to abandon e.g. overseas takeover the bankruptcy and sly operators. A site where oil wells may have been abandoned without the government or the minister being aware, even years could have elapsed as wells are reputed to have a life of 20 to 50 years.

There needs to be some periodic review or reporting system or audit to keep track of this, especially if wells over the Territory number in the hundreds or even thousands and most sites are very remote. So, that didn't



seem to come out in the report that you would recommend maybe an annual audit, physical audit of seeing the wells. My second point is about hydraulic fracturing and seismic activity. I did mention this before when we had the consultation up here. I noticed that you've mentioned that if the activity exceeds 0.5 on the Richter Scale, then the drilling should cease. But my point was more in relation to the area where the proposed fracking is going to be.

It is exactly 30 years since a large earthquake, 6.6 on the Richter Scale ripped through Tennant Creek. I have experienced many significant quakes in Darwin over 50 years. It is my understanding that there is a fault line from Mataranka Hot Springs which is in Douglas-Daly. I also believe that the Hot Springs at Mataranka and Douglas Hot Springs result from volcanic activity deep in the ground. How deep, I don't know. But I have heard 3,000 feet. The Beetaloo Basin cuts across this area. As I understand it, it would seem advisable to consult seismologists knowledgeable in the area before approving specific wells because if this, it's obviously not just solid ground in layers like we've seen in all the examples. There's obviously entrances down already because we get volcanic activity coming up to the surface. So, that area or some parts of it mightn't be as stable as what we're being led to believe. That's basically my two points that I'd like to bring to your attention.

Hon. Justice Pepper: No, thank you very much.

Julian Schuller: For the matter.

Hon. Justice Pepper: Yes, please. Just stay there one moment, Ma'am. Someone will come and grab it off you in a moment. You're quite right. There is a fault that's been located near and about Mataranka. We will absolutely take onboard your recommendation about an annual audit of all abandoned wells to the extent that that's-

Julian Schuller: Well, just all the wells because you won't know they're abandoned unless somebody goes and physically sees that they are, though that's quite a big undertaking. There's hundreds or thousands.

Hon. Justice Pepper: No, we will absolutely consider that. I think that's a very good and worthy suggestion. Thank you.

Julian Schuller: Thank you very much for your time.

Hon. Justice Pepper: Any questions? Yes, Professor Hart's got a question.

Prof. Prof. Barry Hart: I just had a comment on your last point about the seismic activity associated with fracking, and your suggestion that there should be consultation with seismologists before any decisions are made about well drilling and so forth. I'm aware that it's absolutely that statement in our report that we certainly believe that's absolutely correct. It should happen. So, I think we'll have a look at what we've written and see whether we need to just strengthen that. We agree.



- Julian Schuller: You say that if the fracking, if seismic activity results from the fracking, at the level of 0.5%, 5 on the Richter Scale, then it should cease.
- Prof. Barry Hart: Yeah, yeah, yeah. Sure.
- Julian Schuller: My point is the seismic activity there per say, nothing to do with fracking, and what's going to happen if you start putting wells down into that area.
- Prof. Barry Hart: Yes. We may well need to strengthen that. I think there's an ... I think it's more than an assumption. I think we've actually stated that part of the overall investigation that gas companies should do includes that. It certainly includes faults. I don't know whether we've seen anything about testing.
- Julian Schuller: I have to admit, I didn't read everything from cover to cover.
- Prof. Barry Hart: Yeah, no, fair enough.
- Hon. Justice Pepper: Fair enough too.
- Julian Schuller: I can't remember things these days like I used to anyway.
- Prof. Barry Hart: No, good point. We'll have a look and see whether we-
- Julian Schuller: Those were just two points that I wanted the meeting to tell you.
- Prof. Barry Hart: Yeah, whether we need to strengthen that. Thank you very much.
- Julian Schuller: Thank you very much for your time.
- Hon. Justice Pepper: But they're very good points. Any further questions? No, all right. Again, they're very good points. So, thank you very much for taking the time to come today. It's appreciated. If you haven't already done so, if you could give that piece of paper to one of those people sitting there.
- Julian Schuller: I'll put it. Yeah.
- Hon. Justice Pepper: Thank you very much.