

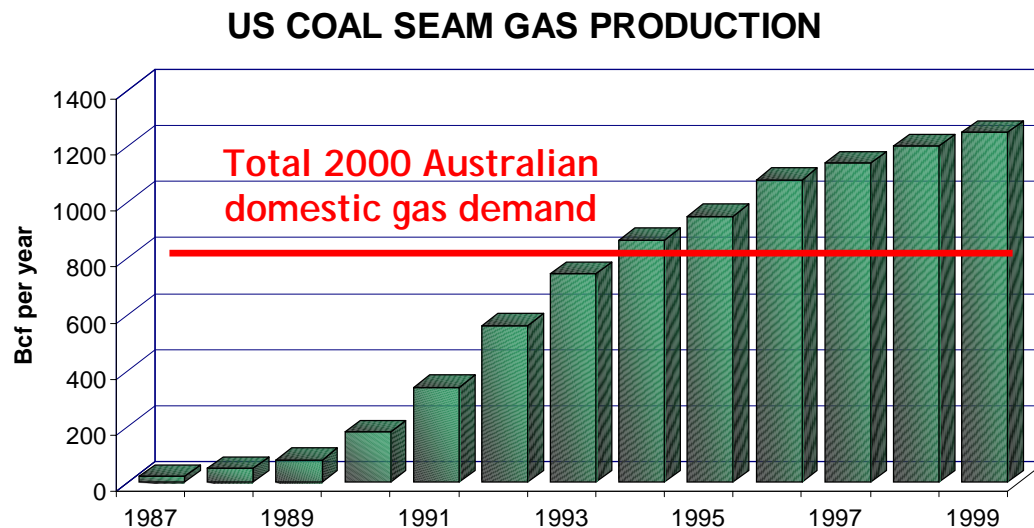


Coal Seam Gas in the USA

The USA experience

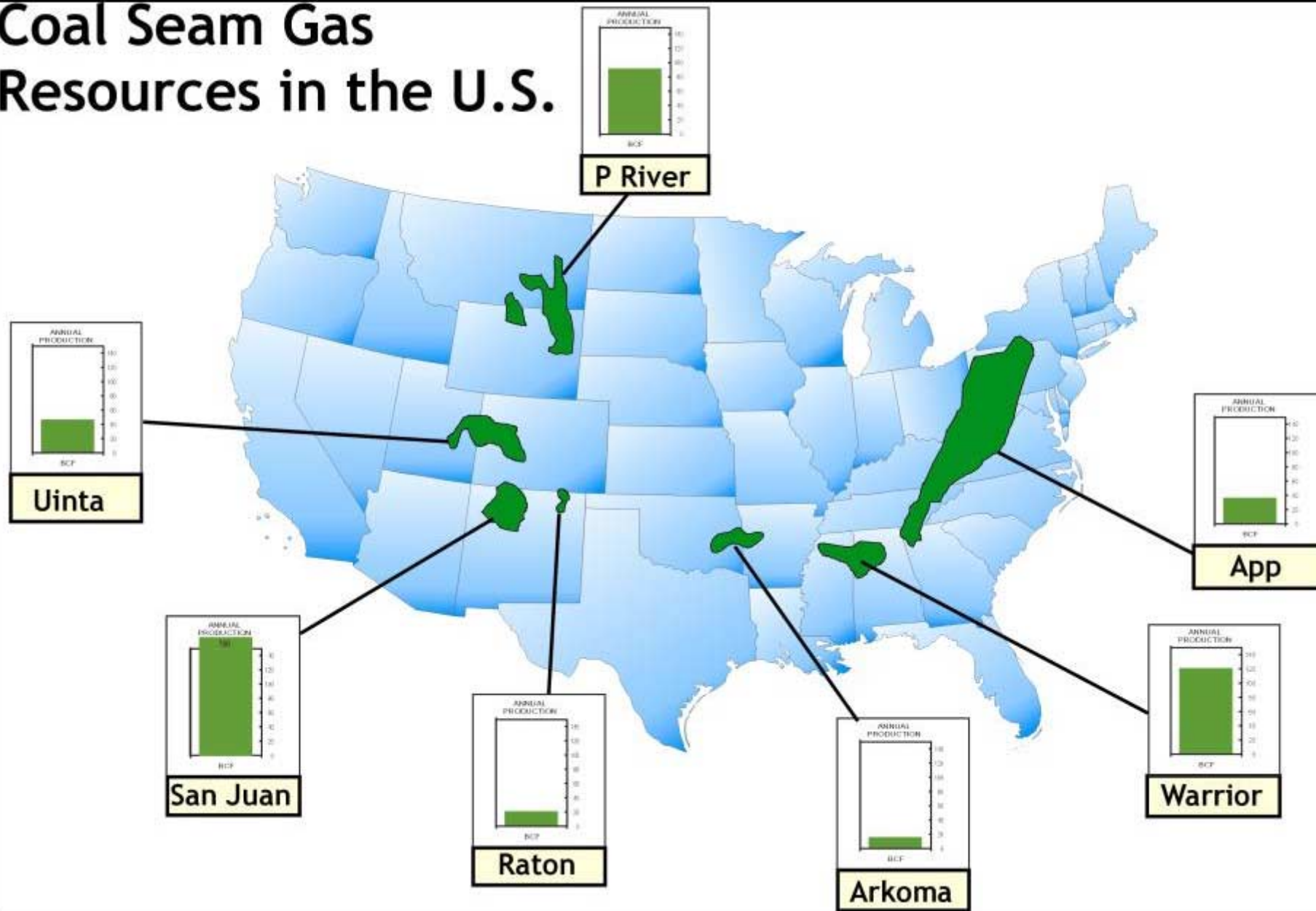
- Prior to 1980 essentially considered a nuisance
- AMOCO drilled first CSM well in San Juan Basin in 1979
- 1980-1985 slow growth in San Juan Basin
- 1980-1985 CSM developed in Warrior Basin in conjunction with mining operations
- Section 29 Tax Credits introduced in 80s

US Position



- 2001 coal seam gas production in the United States was in excess of 1200 PJ/a (7% domestic supply)
- Total Australian domestic natural gas consumption is approx 800 PJ/yr
- Commercial gas production now from 8 US basins despite cessation of tax credits

Coal Seam Gas Resources in the U.S.



US CSG resources and reserves

180 Tcf Total Producible Coal Seam

Gas Resource Base

