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Metgasco reviewing new suspension decision

Metgasco was today advised by the NSW Office of Coal Seam Gas (OCSG) that the suspension of its approval to drill the Rosella well in Northern New South Wales will remain in place, despite Metgasco's request for reconsideration and removal of the suspension.

Metgasco had agreed to defer its legal action for judicial review to allow the OCSG time to complete its reconsideration of the suspension.

Metgasco believes the original decision to suspend was unlawful, and made without valid justification and rejects the NSW Government's claim that the company had failed to conduct an appropriate community consultation program.

Metgasco is very disappointed with the outcome of the Government's review. It is reviewing the Government's decision and reasons for maintaining the suspension. It will continue its legal action if it considers the errors in the original decision have not been addressed.

Managing Director Peter Henderson said the Government should be defending exploration and investment in what is a highly regulated and environmentally safe industry, particularly at a time when the general community is facing a crisis shortage in natural gas supplies.

"The Government should not allow itself to be intimidated by activists making spurious and ill-informed claims about drilling for natural gas when the state is running out of gas and regional areas are crying-out for investment", Mr Henderson said.

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