

Queensland gives green light for shale oil developments

David Winnings – February 13, 2013-04-03

QUEENSLAND will allow companies to develop oil deposits trapped in shale rock formations, aiming to tap a resource estimated at more than 20 billion barrels.

Andrew Cripps, Queensland's natural resources and mines minister, gave the green light to existing shale oil operator QER to move ahead with plans for a commercial operation at Gladstone.

Queensland currently has around 90 per cent of Australia's known shale oil resources, which are equivalent to approximately 22 billion barrels of oil, Mr Cripps said.

"As the world supply of conventional crude oil diminishes, there are strong prospects for oil shale to become the next major source of liquid fuel supplies in Australia, and Queensland is well placed to lead that charge," he said in a statement today.

Developers must comply with environmental conditions, while new entrants would need to prove their technology for extracting oil from shale rocks in trials.

Mr Cripps added that an existing 20-year moratorium on developing the McFarlane shale oil deposit near Proserpine would continue until 2028.

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