

23rd January 2014

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Dear Occupier,

Lower Stumble, Balcombe – New Planning Application

I am writing to advise you that Cuadrilla has now submitted a new planning application to West Sussex County Council to complete the flow testing of oil from the exploration well drilled at the Lower Stumble Exploration Site.

As previously advised, we drilled a conventional exploration well at the Lower Stumble site, drilling horizontally for some 1,700 feet through the Micrite formation (a type of limestone) at a depth of approximately 2,350 feet below ground level. We were expecting to and did indeed find oil in the Micrite. However without testing we cannot be sure at what rate the oil may flow to the surface.

The new application to flow test (ref: WSCC/005/14/BA) will include revised planning boundary lines showing the extent of the horizontal well being tested, and will effectively cover the same well testing work scope that was permitted activity in Cuadrilla's previous planning permission.

These proposed flow testing operations are significantly smaller in scope than drilling operations. The main testing operations would last some 3-5 weeks after which the well would be closed in and monitored for up to 60 days.

I also wanted to update you that based on our analysis of the samples we obtained from the exploration well, we can confirm that the target rock underneath Lower Stumble is naturally fractured. The presence of these natural fractures and the nature of the rock means that we do not intend to hydraulically fracture the exploration well at Lower Stumble now or in the future.

The County Council will consult with interested third parties on the new application and there will also be the opportunity for further engagement through existing channels with Balcombe residents about our proposed well testing plans. As always, we will continue to keep the residents of Balcombe and Balcombe Parish Council updated throughout the process.

Should you have any questions about the new application or any other related issue, please do not hesitate to contact our designated community line on 0800 0086 766 or email enquiries@cuadrillaresources.com. You can also visit the website www.cuadrillaresources.com/our-sites/balcombe/ for more information.

Yours sincerely



Francis Egan
Chief Executive Officer, Cuadrilla Resources