



10 July 2014

Statement in Response to a Request from Balcombe Parish Council Concerning Letter to DECC of June 2011

Cuadrilla can confirm that the letter from Andrew Price on behalf of Bolney Resources Ltd to DECC concerning PEDL 244 of 10 June 2011 is genuine however, as you know, we have subsequently drilled a well at Lower Stumble, Balcombe and obtained additional geological and technical information which has confirmed that it isn't necessary to hydraulically fracture at this location. Cuadrilla has therefore confirmed that we will not be carrying out hydraulic fracturing at the Lower Stumble site now or in the future.

We wrote to local residents on the 23rd January 2014 to confirm this and again on the 11th February 2014. The target rock – a limestone layer in the shale - underneath the Lower Stumble site is naturally fractured and the presence of these natural fractures means that we do not need to carry out hydraulic fracturing.

Back in June 2011 Andrew Price wrote to DECC to request an extension to the initial term of the PEDL 244 licence. At the time we were unable to meet our licence commitments as our operational work plan (which at that time included hydraulic fracturing) was not able to go ahead due to the suspension of hydraulic fracturing imposed by DECC. We therefore wrote to DECC asking for the initial term to be extended on this basis.

On 14th August 2013, two years after Mr Price's letter to DECC, and after further geological analysis in the intervening period, our assessment was that it was not certain that hydraulic fracturing of the micrite (limestone) rock would indeed be required. Consequently we wrote to residents to confirm that at that time the exploratory work would entail the drilling and flow testing of an oil exploration well but would not include hydraulic fracturing (we also reinforced this in a letter on 3 September 2013 as we were completing our operations). With the 14th August letter we attached a briefing note which clearly outlined what the potential outcomes could be after the well had been drilled and tested. One of the possible outcomes listed was that hydraulic fracturing would be required and another was that it would not be required. Our analysis following the exploratory operations in the summer of 2013 confirmed that the latter was the case and hence our written confirmation to residents early this year and the subsequent planning application, recently approved, which is for flow testing but not hydraulic fracturing.

We hope this clarifies the situation for you.