



MEDIA RELEASE

The Modern Practices of Hydraulic Fracturing: A Focus on Canadian Resources

For immediate release

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A new report, "The Modern Practices of Hydraulic Fracturing: A Focus on Canadian Resources", provides a comprehensive overview of hydraulic fracturing in Canada. The culmination of a year-long research project, the report provides a review of factual and objective information on the practice of hydraulic fracturing and its importance to the development of Canadian shale oil and natural gas resource plays. The research looks at how hydraulic fracturing works, how it is regulated by government, and the best management practices industry uses to address potential environmental and human health risks from hydraulic fracturing.

"The report finds that B.C. and Alberta, along with other provinces in Canada, have regulations in place to protect the environment, water and human health" comments Dan Arthur, lead researcher and President of ALL Consulting. "This includes regulatory requirements for surface casing, cementing, groundwater protection and pressure testing. Although no two shale plays are alike, experience and continued research have improved the effectiveness of the fracturing process and allowed the use of fewer, and more environmentally safe, ingredients in the fracturing process". The report concludes that while the risks associated with hydraulic fracturing are very small due to government regulations and advanced technology, the use of best management practices by industry reduces and mitigates those risks that remain.

"It's expected that more than 90 per cent of all new natural gas wells drilled in Canada will be hydraulically fractured," says Howard Madill, Science Community and Environmental Knowledge's (SCEK) Fund Manager. "This research is invaluable because the widespread application of hydraulic fracturing has raised questions from the public about the safety of the process." The report points out that many of the concerns raised about hydraulic fracturing are related to the production of oil and gas, but are not directly related to the act of hydraulically fracturing a well. This distinction is important so that the mitigation measures and regulatory requirements can be directed toward the proper activities and responsible parties. Howard adds, "This report helps to fulfill a recognized need for information not just in areas where oil and gas exploration is in its infancy, but also in regions of Canada that are familiar with this industry".

"This project is an excellent example of collaboration to address an important knowledge gap in the area of hydraulic fracturing and potential environmental and human health risks," says Tannis Such, Petroleum Technology Alliance Canada's (PTAC) Director of Environmental Research Initiatives. PTAC acts as a neutral facilitator of multi-stakeholder industry research and technology development projects.

The research was jointly funded by the SCEK Fund and the Alberta Upstream Petroleum Research Fund (AUPRF) managed by PTAC. Additional involvement and support for the project was provided by the Canadian Association of Petroleum Producers (CAPP) and its member



companies and the Canadian Society of Unconventional Resources (CSUR). ALL Consulting completed the work. Copies of the report may be downloaded from the PTAC and SCEK Fund websites listed below:

- PTAC: www.ptac.org
- SCEK Fund: <http://www.scek.ca/projects/active-projects>

PTAC is a not-for-profit association that facilitates collaborative research and technology development to improve the financial, environmental and safety performance of the Canadian upstream conventional oil and gas industry. A complete listing of PTAC-related projects, including this project and report, is available on their website at www.ptac.org.

The SCEK Fund supports practical studies that develop credible and relevant information to address knowledge gaps in the understanding and management of high priority environmental and social matters related to oil and gas exploration and development in BC. The SCEK Fund is an industry-sponsored fund overseen by the Canadian Association of Petroleum Producers (CAPP), the BC Oil and Gas Commission, and the Small Explorers and Producers Association of Canada (SEPAC). A listing of SCEK funded projects, including this project and report, is available on their website at <http://www.scek.ca>.

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