



News Release

27 June 2013

## **Cuadrilla Welcomes Revised Shale Gas Resources Estimate**

Cuadrilla has today welcomed the British Geological Survey's estimate of the amount of natural gas locked within the shale rock of Lancashire's Bowland Basin. The substantially increased estimate, arrived at after extensive study of the available data from a number of sources, makes clear the enormous potential of Lancashire's natural gas resources.

Francis Egan, Cuadrilla's chief executive, said:

*"The British Geological Survey's new resource estimate for the Bowland Basin is fantastic news for Lancashire and the UK as a whole. It confirms the huge natural gas volumes contained within the shale rock in our exploration licence area. Successful development of this natural gas resource will, we believe, significantly reduce the country's reliance on imported coal and gas, create thousands of jobs, generate significant tax revenues and exert downward pressure on domestic gas prices. In the short term, we will continue our work within the Bowland Basin by adding a number of additional temporary exploration sites during 2013 and 2014 to confirm gas flow rates."*

Reacting to the announcement of the proposed community benefit scheme announced today, Mr. Egan added:

*"We support today's announcement on the proposed community benefits scheme concerning non-conventional onshore oil and gas exploration and production. The UK government has long recognised, as we have, that local communities must reap long-term benefits from the development of gas and oil from shale. Cuadrilla will commit to local communities one per cent of the revenues from each producing site during the production phase. With success, this should amount to millions of pounds per individual production site, benefiting local communities."*

*"We look forward to continuing discussions with all relevant parties to finalise the details of the community benefits scheme."*

*"Cuadrilla also supports UKOOG's development of an industry charter, which we believe will ensure that all member companies operate in accordance with global best practice, ensuring that shale resources are developed in a safe and environmentally responsible way."*

Mr. Egan also commented on the Environment Agency's commitment to streamline and simplify the environmental regulation of onshore oil and gas exploration:

*"Cuadrilla welcomes the Environment Agency's plans to streamline and bring extra clarity to the onshore permitting process. We look forward to continuing our constructive working relationship with the agency as we further develop our operations."*