

Dear Panel

My name is Mark Devereux. I have great respect and regard for nature and our environment. This strongly influenced my decision to study geology at University level and to become a petroleum exploration professional more than 30 years ago. My personal decision on whether to become involved with hydraulic fracturing followed considerable personal research into the process and also travel to the United States in 2013. Following these deliberations, I was very comfortable and willing to accept a staff position with Buru Energy in late 2013 to work on the exploration and development of hydrocarbon resources in the onshore Canning Basin including Buru's portfolio of unconventional resources and particularly a proposed hydraulic fracturing program on the Laurel Formation.

As a result, I have been directly involved with the planning and execution of a hydraulic fracturing program of two wells in the Canning Basin of Western Australia. This program was conducted in 2015 and was preceded by comprehensive studies including consultation and input from independent experts in engineering and environmental matters. There was also an extensive body of baseline scientific data (such as monitoring of ground water quality and recording of micro-seismic events) acquired prior to the conduct of this frac program. Similar data was also gathered during and after the execution of the frac program. (The full details of these studies are contained in the submission made by Buru Energy.) This body of information shows absolutely no evidence of any discernible negative impact on the environment. Furthermore, the program was undertaken with the full endorsement of the local Traditional Owners. This also involved training and employment of local Traditional Owners and they benefitted individually and as a community from the work and income that resulted. My view is that the Traditional Owners consider any potential development that may result from hydraulic fracturing and a successful project to be a welcome and positive outcome as supported by the statement made by the Yungngora people in September 2015.

As you aware, there have been many studies and Inquiries into the effects of hydraulic fracturing and the exploitation of unconventional resources both in Australia and overseas. These show that the process of hydraulic fracturing is highly unlikely to pose any more significant risk than conventional oil and gas exploration and production if it is conducted under appropriate robust regulation. My view is that this is indeed the case in Australia in general and Western Australia in particular which has a very comprehensive and effective regulatory system. Indeed, the current regulatory system in Western Australia is quite onerous and requires a significant investment in time and effort to receive all of the approvals necessary to undertake a hydraulic fracturing program. Note that The Australian Council of Learned Academies (ACOLA) Report "Engineering Energy: Unconventional Gas Production A Study of Shale Gas in Australia" 2013, found that the use of fracking represents no greater risk than conventional gas with appropriate safeguards in place. This supports the findings of the Western Australian Upper House which concluded that fracking can be

carried out safely if regulated appropriately and that the impact on human health and the environment were 'negligible'.

Although there are many previous credible inquiries that the Panel can review, I wish to draw the Panel's attention to the recently released draft report from the NT Scientific Inquiry on Fracking headed up by Justice Pepper. The draft made a recommendation of some 120 or more conditions that could be introduced to reduce and minimise risk to achieve a level of risk which would be acceptable and as low as practical (ALARP). My view is that although these individually may have some merit, they impose unwarranted additional controls on hydraulic fracturing that are not necessary and are most likely to result in such an increase in the duration of the approval times and project costs that projects are rendered uneconomic.

Despite the relatively recent media (and resultant community) interest in hydraulic fracturing, it is not a new process and it has been conducted on many wells in Western Australia as it has been elsewhere in the world with more than two million wells within the last 60 years or so having been subjected to the process. Indeed, it is a common process and, in addition to being used for the recovery of unconventional hydrocarbon resources (such as shale gas), it is also employed in the exploitation of conventional oil and gas resources and also the extraction of ground water.

On balance, hydraulic fracturing in Western Australia does not present an increased set of risks compared to any other drilling technique if conducted under appropriate regulatory oversight as is the experience here in Western Australia.

I hope that the Panel has sufficient information to inform its decision and would be pleased to relay my direct experience with the hydraulic fracturing process.

Thanks and regards

Mark Devereux