



29 July 2014

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Dear Rob,

ADVERTISING COMPLAINT - THE GERALDTON GUARDIAN, 11 JULY 2014

I write on behalf of the Australian Petroleum Production & Exploration Association (APPEA) which is the peak body for Australia's upstream oil and gas industry.

The purpose of this letter is to lodge a formal complaint with West Australian Newspapers Ltd regarding a full-page advertisement published in one of your regional papers, *The Geraldton Guardian*, on 11 July, 2014 (page 14).

The advertisement includes the logo of Clean Water Healthy Land, an anti-natural gas campaign supported and funded by the WA Conservation Council.

According to your company's website, West Australian Newspapers Ltd is a member of the Publishers' Advertising Advisory Bureau whose Code of Practice requires members to only publish advertisements that are "truthful and not misleading or deceptive." APPEA maintains that the advertisement breaches this code by making false statements that could reasonably be expected to have misled and deceived readers of *The Geraldton Guardian*.

The statements, and APPEA's response, are outlined below.

STATEMENT 1: "Shale fracking, the process of extracting gas by using toxic chemicals to crack deep rocks, can turn our water into a dangerous chemical cocktail.

This statement is misleading. Shale fracking is not the "process of extracting gas". Hydraulic fracturing is a technology used to enhance the flow of gas from a well once the drilling is completed and the rig is removed from the scene.

"Toxic chemicals" are not used "to crack deep rocks". This process is performed by the pressure applied to a fluid system pumped into the completed and cased well. Water and sand typically make up over 99.5% of the fracturing fluid system. The remainder is a mixture of additives, which are added at very low concentrations and controlled by the cement and steel well casing. By both weight and volume the most prominent of these materials is a substance known as "guar gum", which is an emulsifying agent more typically found in ice cream.

Shale gas reservoirs in Western Australia typically occur between two and four kilometres below ground, separated from near-surface fresh water aquifers by extensive layers of impermeable geological formations. These layers form efficient natural barriers between fresh water and gas resources.

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STATEMENT 2: "Research in the US has found that 6% of fracking wells leak into ground water in their first year" – reference to Anthony Ingraffea, Professor of Engineering; Cornell University.

This statement is misleading and deceptive. There have been no reports (by Professor Ingraffea or others) that have confirmed groundwater contamination related to hydraulic fracturing, let alone a percentage figure.

Professor Ingraffea is a noted anti-gas activist whose claims on structural well integrity have been repeatedly debunked.

The statement that "6% of fracking wells leak into ground water in their first year" cannot be verified in any studies undertaken by Professor Ingraffea. The only reference to his work on the cleanwaterhealthyland.org.au website is to a 2012 analysis of oil and gas wells in Pennsylvania¹.

At no point do any reports by Professor Ingraffea draw conclusions that "6% of fracking wells leak into ground water in their first year". The report referred to previously has been misrepresented and misquoted. The closest comparable statement made by Professor Ingraffea is that "Operator-wide statistics in Pennsylvania show that about 6-7% of new wells drilled in each of the past three years have compromised structural integrity". Regardless of the highly disputed accuracy of this figure, structural integrity issues do not result, ipso facto, in groundwater contamination (a fact also

Many academic and scientific sources have challenged the findings made by Professor Ingraffea, including many of his own colleagues at Cornell University, as the paper conflates pressure with leakage. This is an attempt to try to convince the public that the mere existence of the former is evidence of the latter.

STATEMENT 3: "Once our water is contaminated, it will be forever"

This statement is misleading. While the absolute goal of any industry should be to avoid contamination, polluted water can in many situations be cleaned. How this is done, how long it takes, and the cost depends on the extent of the water source, depth, size, location, source of water recharge, and the type of pollutant and its source. Processes that can be used (individually or in combinations) to clean contaminated water include activated carbon filtration, bioremediation, phytoremediation and chemical oxidation.

Natural processes can also remove contaminants with no human intervention.

The onshore gas industry has the potential to become an important economic driver for Western Australia. It has the capacity to create jobs, deliver investment to regional communities, boost government revenue, and enhance our State's energy security.

Numerous studies overseas and here in Australia have concluded that with proper regulation these benefits can be delivered with minimal risk of environmental harm.

www.psehealthyenergy.org/data/PSE CementFailureCausesRateAnalaysis Oct 2012 Ingraffea.pdf



APPEA accepts that the Conservation Council of WA and like-minded groups are entitled to oppose the natural gas industry.

We do not, however, accept that they are entitled to misrepresent science or to use deceptive or misleading advertising as a legitimate campaign tactic.

I trust you will give this matter your earnest consideration.

Please do not hesitate to contact myself via mbradley@appea.com.au or APPEA's Media and Communications Manager — Western Region, Kieran Murphy (kmurphy@appea.com.au) should you want to discuss this matter.

Yours sincerely,

Michael Bradley

Director - External Affairs