SCIENTIFIC INQUIRY INTO HYDRAULIC FRACTURING IN THE NORTHERN TERRITORY

Environment and Access Santos GLNG Project 32 Turbot St, Brisbane Qld 4000

By email:

Dear

The Independent Scientific Inquiry into Hydraulic Fracturing in the Northern Territory (**the Inquiry**) is gathering key background information to be used in its assessment of the environmental, social and economic risks and impacts of hydraulic fracturing of onshore unconventional shale gas reservoirs and associated activities in the Northern Territory.

As you are aware, the use of formulated fluids in the fracturing of the source rocks is a key process in the extraction of unconventional gas, and the environmental toxicity of these fluids is of central concern to the community. Unfortunately, there is a very limited literature on this subject that is publically available.

The Inquiry is aware that Santos Ltd has undertaken investigations of fracturing fluid ecotoxicity in the context of coal seam gas, source water, and flowback water ecotoxicity as part of its obligations to the federal government under the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) water trigger.

Although the Inquiry is aware that there are differences in the formulation of the fluids that might potentially be used in Northern Territory shale deposits compared to those examined for coal seam gas extraction, there are also substantial overlaps in the likely formulation chemistries, and in the absence of any substantial literature on this topic, the studies undertaken by your company would contribute greatly to the Inquiry's ability to contextualise its considerations of the environmental risks associated with the use of fracturing fluids.

The Inquiry therefore seeks your assistance in gaining access to the relevant investigation report or reports in a timely manner.

I understand that the release of such reports may need to be on a confidential basis. As you may be aware, it is the policy of this Inquiry to publish all material that it receives on its website in the interests of fairness and transparency. However, the Inquiry acknowledges that in certain limited circumstances, and provided adequate reason is given, confidentiality can be maintained. Accordingly, if the information requested will only be released by you on the basis that it remains confidential, could you please indicate to the Inquiry the precise reason why the material is confidential and the precise reason why this confidentiality ought to be maintained.

Thank you in advance for your assistance in this matter.

Yours sincerely,

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THE HON JUSTICE RACHEL PEPPER Chair

24 May 2017