

The Irish Times - Saturday, June 11, 2011

Contentious method key to northwest gas, says company chief

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There is a 75 per cent possibility of finding commercial levels of natural gas in the north-west but extracting it will involve the controversial process called “fracking”, the chief executive of one of the companies involved in a licencing option has said.

Studies carried out five year ago estimate that there was 9.4 trillion cubic feet (tcf) of natural gas in the Lough Allen basin or 1.5 billion barrels of oil equivalent (BOE) which would be worth €120 billion at present prices.

In February, two companies, the Australian-based Tamboran and the Lough Allen Natural Gas Company (Langco), were granted onshore petroleum licences to carry out preliminary testing in an area which includes the counties of Leitrim, Sligo, Roscommon, Cavan and Fermanagh.

In his first public comments since the licence was granted, Tamboran chief executive Richard Moorman said they were encouraged by the shale deposits in the area which are much thicker than in the United States.

“Our biggest hurdle is not going to be the gas. We have a good feeling about what is there,” he said adding that the cost of bringing drilling equipment into the area and the planning process could be bigger obstacles.

He estimated that approximately 10 per cent or a trillion cubic feet of gas could be recovered making it as big as the Corrib field.

Mr Moorman acknowledged that it would be “impractical” not to use the process of hydraulic fracturing or fracking to extract the gas though some of it might be liberated using only horizontal drilling.

Fracking involves drilling horizontal wells and pouring a mixture of high-pressure water, sand and chemicals to crack open rock deep underground and liberate gas reserves.

Fracking has created a worldwide frenzy for shale gas, but has been blamed, especially in the United States, for contaminating water supplies.

Yesterday the Department of Communications, Energy and Natural Resources said fracking would be not allowed in the Lough Allen basin without a public consultation phase and an environmental impact assessment.

Leitrim TD Michael Colreavy said he will screen a version of the US documentary Gasland about the environmental damage caused by fracking to TDs and senators in Leinster House next week.

“I have an open mind, but I fear the Government doesn’t have the expertise to regulate this type of activity,” he said. The documentary will also be shown in Carrick-on-Shannon today.

Mr Moorman said many of the problems surrounding fracking was as a result of sloppy practice in the United States. “There was not the same diligence, quite frankly. If you have a good cement job, the well is safe.”

He believed the public in Ireland should be reassured by the stricter regulatory process and an extensive public consultation exercise will start presently beginning with local authorities in the area next month.

He explained that the initial process will be looking at surface rocks, seismic data and then data from bore holes up to 200 metres deep. It will be at least 18 months before test drilling takes place.

He estimated that a commercial drilling process could employ between 100 and 200 people when fully operational and drilling would last a decade.

Langco chief executive Dr Martin Keeley said fracking would have to be used, but he also said there was the possibility that conventional vertical drilling methods could be used in some parts though he cautioned that getting to commercial drilling was a “massive assumption” to make.

He said it would be the end of 2013 before any drilling could take place if it went to plan.

Dr Keeley also said that fracking fluid, which has been blamed for contamination, is more than 99 per cent water. “I would happily drink a glass of our own frack fluid.”