

Shoal Point Energy CEO believes evaluation should be conducted on N.L. fracking

By Lukas Wall, [CBC News](#) Posted: Jun 06, 2016 7:30 AM NT Last Updated: Jun 06, 2016 7:30 AM NT

Following a report by the Newfoundland and Labrador Hydraulic Fracturing Review Panel, one company hoping to look for oil in western Newfoundland feels changes should be made to the panel's recommendations.

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Mark Jarvis, CEO of Shoal Point Energy, says he has some suggestions on fracking that he believes should have been included among the report's recommendations.

"What I suggested is give us a path forward to do an evaluation program because — here's a key point — we don't even know if this is a commercially viable resource," Jarvis said.

"I don't understand why they haven't recommended that."

'Give us a path forward to do an evaluation.' - *Mark Jarvis*

Jarvis said he isn't sure if there is even a significant enough quantity of oil in the Green Point area for a successful operation, and his company may not have an opportunity to find out.

"This whole review process, we're talking about something that we don't even know if there needs to be a controversy, because if we go in there and it's not commercially viable, the story's over," he said.

As part of the evaluation program Jarvis is suggesting, his company would drill a series of wells to explore the area.

"In a shale play, usually you don't get commercial success with the first well. What I suggested is a program of up to 20 wells over several years, over five or six years," he said.

"We would drill the first eight wells on existing seismic lines, and then depending how that goes — if you haven't made commercial success after the first eight wells, basically you're going to throw in the towel."

Jarvis said if the first eight wells yield a positive result, a 3D seismic model could be developed using the physical samples from those wells, and the next 12 wells could lead to a full scale development plan for the area.

Company in 'financial crisis'

He said Shoal Point Energy is the only proponent looking to use hydraulic fracturing in western Newfoundland and the pause placed on fracking creates a financial crisis for his company.

"Who's going to invest money in a company that has a shale play in a province that won't allow hydraulic fracturing?" he said.

Jarvis said the decision about the future of fracking in the area is now in the hands of politicians because of the panel's report recommendation that any fracking project would require "social licence."

"As soon as you bring in this concept of social licence, nobody really knows what that means, and so things get very fuzzy and uncertain and it's very difficult to map a path forward," said Jarvis.

He said he wants to talk with the premier and minister of natural resources, but the current political situation is making it difficult for the issue to be addressed.

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