

Funding boost to encourage oil and gas exploration

8 May 2009 - Energy and Resources Minister Gerry Brownlee has announced a renewed seismic survey programme to encourage New Zealand oil and gas exploration.

As part of Budget 2009 a total of \$20 million over three years will be allocated to the seismic data acquisition programme run by Crown Minerals, which is responsible for the administration and promotion of New Zealand's oil and gas.

"This work will increase data acquisition and processing of marine seismic surveys of the earth's subsurface geology," Mr Brownlee said.

"Petroleum exploration and investment companies can then use the data to assess the oil and gas potential of frontier basins," he said.

The \$20 million funding meets National's pre-election policy promise for seismic exploration. A further \$3.45 million has been reallocated for seismic survey work since National came into office.

Previous surveys have resulted in \$1.4 billion of expenditure by exploration companies, particularly in the Great South Basin.

"The international oil exploration industry is showing increasing interest in New Zealand following initiatives to make new data freely available to companies wishing to explore here," Mr Brownlee said.

"This has translated into increased exploration expenditure and activities across frontier basins that have historically struggled to attract investment in exploration."

"At this time of uncertainty in international financial markets, as well as the fall in oil prices, it is important for the government to maintain interest in New Zealand," Mr Brownlee said.

"With this in mind the government sees the 20 million of budget funding as a good step to generating more exploration," he said.

A number of the major oil companies have already indicated interest in the New Zealand region, and in coming months Crown Minerals will continue to promote bidding rounds in Australia, North America, Europe and Asia.

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For more information (including Gerry Brownlee Q&A) visit the [Beehive website](#).

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