Onshore Taranaki Kahili block offer opens

10 February 2010 - Energy and Resources Minister Gerry Brownlee today announced the opening of bidding for a block offer over the onshore Kahili gas field in Taranaki.

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Source: Beehive

The Kahili field was discovered in 2002, with a mining permit granted in 2004, but production stopped shortly after when the well unexpectedly filled with water. However, significant volumes of gas could remain in the area.

The 5.99 square kilometre block offer includes the Kahili-1B well, which has been closed but not filled in.

“The area includes the gas facility and pipeline at Kahili wellhead, which makes the gas volumes required for commercial viability of the field very low.

The Government believes the potential of the field can be realised and the tender is being opened today to see what commercial interest there is,” said Mr Brownlee.

"Gas discoveries are important to New Zealand’s energy security and provide local employment and support regional growth and local businesses.”

The block offer will run for almost three months and will close on 3 May 2010.

Data on the block offer is available here.

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