



Report on consultation in relation to the proposed Block Offer 2012

June 2012

Ministry of Economic
Development

Manatū Ōhanga



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Contents

Introduction.....	5
Block Offer 2012 consultation process.....	5
Summary of Officials' recommendations.....	7
Part One: Summary of Submissions.....	8
Block 12WAI1.....	11
Block 12TAR1.....	16
Block 12TAR2.....	20
Block 12TAR3.....	25
Block 12TAR4.....	29
Block 12TAR5.....	33
Block 12TAR6.....	37
Block 12TAR7.....	41
Block 12TAR8.....	45
Block 12TAR9.....	49
Block 12TAR10.....	54
Block 12TAR11.....	59
Block 12TAR12.....	63
Block 12TAR13.....	68
Block 12TAR14.....	73
Block 12EC2.....	78
Block 12PEG1.....	84
Block 12PEG2.....	90
Block 12MUR1.....	96
Block 12WC1.....	99
Block 12CB1.....	102
Block 12CB2.....	106
Block 12STH1.....	109
	3

Block 12GS1.....	113
Block 12GS2.....	116
Annex One: List of groups consulted on the proposed Block Offer 2012.....	119
Annex Two: List of submitters on the proposed Block Offer 2012.....	121
Annex Three: Regulatory provisions relating to the protection of sites of local, cultural and historical significance	122
Annex Four: Strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance.....	125
Annex Five: EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA.....	126
Annex Six: Strengthening the regulatory health, safety & environmental regime for petroleum activity.....	127
Part Two: Iwi or Hapū requests for amendments to, or exclusions of land, from proposed Block Offer 2012.....	130
Hauāuru ki Uta Regional Management Committee.....	131
Maniapoto Māori Trust Board.....	138
Ngāti Haua.....	142
Ngāti Te Wehi.....	147
Ngā Hapū o Poutama.....	152
Ngāruahine Iwi Authority.....	157
Ngāti Tūpaia Hapū	164
Ōkahu/Inuāwai Hapū.....	169
Taranaki Iwi Trust.....	174
Te Runanga o Ngāti Ruanui.....	181
Rangitāne o Tāmaki nui a Rua.....	190
Rangitāne o Wairarapa Inc.....	194
Te Ātiawa ki te Upoko o te Ika a Māui Pōtiki Trust	198
Ngai Tahu.....	202

Introduction

The Crown Minerals Act 1991 and the Minerals Programme for Petroleum 2005 (**MPP**) allow for petroleum exploration permits to be allocated by staged work programme bidding via competitive block offers.

The block offer allocation method enables the Government to fairly and efficiently manage the allocation of petroleum exploration rights, provide for better and more transparent planning and promotion, and consult more proactively with iwi, industry, and other stakeholders.

Under the MPP, the Minister may determine the location and area of any petroleum exploration permit block offered for bid following consultation with appropriate iwi and hapū. The MPP requires that a period of no less than twenty working days be provided to iwi and hapū to comment on the proposal. Iwi and hapū may request up to an additional twenty working days for making comment.

To better reflect community views, the government extended consultation in 2012 to local authorities where proposed blocks lie within or across regional or district council boundaries.

Block Offer 2012 consultation process

Twenty-five blocks were proposed for Block Offer 2012. The proposed blocks were selected to take account of geology, prospectivity, and to provide options for onshore and offshore exploration (including some deepwater) and coal seam gas. Importantly, in developing the proposed blocks, New Zealand Petroleum & Minerals (**NZP&M**) has sought to ensure blocks span 'appraisal' blocks in well-explored areas containing a previously drilled well and flowing hydrocarbons to the surface, through to large blocks in frontier regions where little to no exploration has taken place.

On 9 February 2012, details of the proposed Block Offer were emailed and mailed-out to iwi authorities and local government geographically associated with the proposed blocks. Officials also contacted these groups to advise them that consultation on the proposed Block Offer would commence on 10 February 2012, and that they would shortly be receiving information on the proposal from the Ministry.

Details of the proposal were also made publicly available on the NZP&M website on 9 February 2012.

The first twenty days for making comment concluded on 8 March 2012. Officials contacted those groups who had not responded by this time to confirm they were aware of this deadline and remind them of the ability to request an additional twenty working days to comment. Where additional time was requested, requestors were advised their submission was due by Thursday, 5 April 2012.

Officials also contacted all groups on Thursday, 29 March 2012 to remind them that the deadline for submissions was Thursday, 5 April 2012.

Twenty-five submissions were received during the submission period. Submissions have been summarised by the Ministry of Economic Development. This report has been prepared for the Minister of Energy and Resources.

Summary of officials' recommendations

As a result of submissions received on the proposed Block Offer 2012, officials recommend:

1. That blocks 12TAR1 and 12TAR2 be deferred for competitive tender until such time as it will be possible to make a more informed decision regarding the balance of providing active protection and appropriate resource development. This recommendation takes account of: the very significant number of sites involved; that a review is currently being undertaken to provide more clarity as to the number and location within the district; and that Taranaki Iwi are expected to be better placed within a reasonable period of time to engage more fully post settlement.
2. That block 12WAI1 be revised and reduced in size from 2738.6 km² to 486.6 km² to better reflect submissions and a more precise assessment of the likely distribution of the resource.
3. That block 12TAR5 is revised to exclude an area no longer available for permitting as a result of an application on an extension of land by Taranaki Ventures Limited which has now been granted.
4. That the western boundary of block 12TAR8 be redefined in a graticular format to be consistent with in house policy on petroleum permitting.
5. That the eastern boundary of block 12CB1 be redefined in a graticular format to be consistent with in house policy on petroleum permitting.
6. That the following tailored condition is drafted in relation to a specific area (the Pātea River) in block 12TAR4:

The 12TAR4 permit holder must give written notice to Te Runanga o Ngati Ruanui iwi at least 20 working days prior to undertaking exploration activities within 100 metres of the Patea Awa (River).

7. That the following twenty-three blocks be released as part of the Block Offer 2012 bidding round:

- | | |
|-----------|-----------|
| • 12WAI1 | • 12TAR14 |
| • 12TAR3 | • 12EC2 |
| • 12TAR4 | • 12PEG1 |
| • 12TAR5 | • 12PEG2 |
| • 12TAR6 | • 12MUR1 |
| • 12TAR7 | • 12WC1 |
| • 12TAR8 | • 12STH1 |
| • 12TAR9 | • 12CB1 |
| • 12TAR10 | • 12CB2 |
| • 12TAR11 | • 12GS1 |
| • 12TAR12 | • 12GS2 |
| • 12TAR13 | |

Part One: Summary of Submissions

Overview of general themes

A number of general themes were evident from the submissions. These were:

- a. early and on-going engagement with iwi/hapū and local government is crucial;
- b. a desire to see protection, or appropriate management, of sites of local, cultural and historical significance;
- c. submitters were supportive of the move away from the "first-in, first-served" priority in time allocation method towards the competitive block offer method;
- d. submitters wished to see more stringent health, safety and environmental controls; and
- e. a desire for benefits of resource development to be seen at the local level.

Early and on-going engagement

Both iwi/hapū and local government submitters commented that early and on-going engagement on the annual Block Offer is crucial.

Iwi/hapū submitters stressed the importance of early engagement with Māori by all parties (companies and the Crown) involved in the Block Offer. They wish to be fully informed at all stages of the Block Offer so they can make informed decisions and work with successful companies. Requests have been made for iwi/hapū relationships to be specifically mentioned as part of the assessment criteria and that "*companies that have developed good relationships with indigenous peoples*" are favoured.

As the primary source of information for local residents, and given their involvement in the resource consenting process under the Resource Management Act 1991 (**RMA**), local government also view early and on-going engagement with the Ministry on the Block Offer as important.

Officials have been engaging with both iwi/hapū and local government representatives on the Block Offer, and on wider issues relating to the sector. The Ministry will continue engaging with these groups going forward.

Also, as part of improving the Block Offer process, several changes were made to the draft Block Offer Notice (which sets out the terms and conditions of the competitive tendering process) whereby bidders are asked to set out in their corporate profile what systems, processes and resources the bidder has for engaging with indigenous (or first nations) peoples, and their engagement strategy.

Management of sites of local, cultural and historical significance

A number of submitters, both iwi/hapū and local government, commented that specific blocks contained sites of local, cultural (primarily wāhi tapu) and historical significance. Some submitters requested that blocks be amended, or removed entirely because of this. Others were looking for assurance that genuine attempts would be made to protect these areas. In response to the consultation process, further changes are recommended as set out in the section regarding requests for Block exclusion and amendment.

Support for the competitive block offer method

Both iwi/hapū and local government submissions outlined support for the "*far more proactive*" competitive block offer approach. Submitters commented that this approach will enable the most suitable operators to be selected, ensuring the safe and responsible development of mineral resources in New Zealand.

More stringent health, safety and environmental controls

A number of submitters expressed a desire for more stringent health, safety and environmental controls.

Submitters recommended that international lessons be used to inform New Zealand's regulatory framework and insisted the Government adopts the "*highest international safety and transparent standards for Petroleum exploration and/or extraction*". It was also recommended that the health and safety practices and environmental protection record of a bidder be added to the criteria for evaluating bids.

A number of submitters commented on the potential environmental impacts of exploration and production activities. Concerns were raised about the potential effects on marine wildlife and their habitats, water quality, and indigenous flora and fauna.

Officials believe that submitters concerns will be addressed through improvements in the overall regulatory regime, particularly the proposed Exclusive Economic Zone (EEZ) legislation, review of the Crown Minerals Act 1991, and the review of the petroleum exploration and extraction regulations under the Health and Safety in Employment Act 1992 to ensure the regulations are aligned with international best practice and to enhance the safety case regime.

These changes provide a robust framework that can adequately regulate an increased level of petroleum exploration and production activity in higher risk environments, i.e. in deep water beyond the 12 nautical mile limit.

It is intended that these changes be passed in to law in the course of 2012 and, in any case, well before any planned activity within the blocks is expected to take place.

Desire for benefits to be seen at the local level

Both iwi/hapū and local government submitters were interested in seeing the benefits of oil and gas exploration passed on to their communities. One submitter requested that this be considered as part of the tender evaluation process. Another suggested ways in which companies could "*make a positive contribution to the community in which they are to undertake exploration for oil and gas*".

Block 12WAI1

Potential exists in block 12WAI1 for coal seam gas. A 2008 study conducted by L&M indicates that 247 million tonnes of coal is present beneath sufficient cover to provide a coal seam gas resource. This block contains four coalfields and also borders the Waikato coalfields to the north. No conventional oil and gas is expected in the block.

Four submissions were received on proposed block 12WAI1.

Submissions were received from three of the fourteen groups consulted on the proposed block; two iwi authorities and one council. A further submission was received from a regional management committee represented by one of the contacted iwi authorities.

Summary of comments

Ngāti Te Wehi recommended that health, safety and environmental legislation be prioritised and that international lessons are used to inform New Zealand's regulatory framework. They stated that consideration should be given to environmental impacts of activities associated with awarding a permit, the potential effects on marine wildlife and iwi fishing rights and customary title claims to the sea.

This submitter also noted that *"where sites of Māori significance are involved, for example waahi tapu, genuine attempts must be made to address the protection of those wāhi tapu and other significant sites. In order to be properly informed about sites of cultural significance, genuine and appropriate consultation must take place."*

The Maniapoto Māori Trust Board commended the Ministry for providing the submitter with the opportunity to provide a submission on the Block Offer. However, they opposed all mining exploration or prospecting applications or activities within their rohe without written permission from the relevant Regional Management Committee.

This submitter is of the view that they should participate in tender decision-making processes to ensure that the interests of their rohe are adequately accounted for. They stated that there are *"sites of significance and wāhi tapu within the lands proposed in the block offer for 2012"*, and that consideration should be given to resource the submitter with the capacity to identify these areas for exclusion.

They also noted that Treaty of Waitangi claims of Ngāti Maniapoto are currently being heard by the Waitangi Tribunal and that Maniapoto recently entered into a Deed with the Crown regarding the co-governance and co-management for the Lower Waipā and Waikato Rivers.

Waikato District Council commended the Ministry for supporting the Block Offer method of allocation as it is far more proactive than the "priority in time" method. They noted that the proposed block area *"contains a number of archaeological sites and features and contains a discrete number of individual owners."* The council suggest that the Ministry provide information to all landowners located within the specified area prior to the commencement of the bidding round. The council stated that *"informing not only iwi but all potentially affected landowners at the beginning of the process will pave the way to a more efficient and informed consultation process should the need arise."*

The Hauāuru ki Uta Regional Management Committee requested that the block be amended so as to exclude defined areas which are significant to whānau, hapū and iwi for various reasons, including places to gather food, settlements, wāhi tapu sites, meeting places and burial grounds.

The defined areas are referred to by the submitter as Harihari to Tauhua and other sites within the block, i.e. Taumatatōtara West and Coutts Road. Coordinates were provided as included in the Waitomo District Plan 2009.

The submitter noted that within the defined areas, there are many recorded archaeological sites, including those defined and recorded by Owen Wilkes, a renowned archaeologist, and also unrecorded archaeological sites that are significant to the submitter. This submitter also noted that the Maniapoto Māori Trust Board submission covers the wider issues that affect their rohe.

Officials' comments

Exclusion request

An analysis of the Hauāuru ki Uta Regional Management Committee request to exclude defined areas from block 12WAI1 is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate.

Following review, it is recommended that block 12WAI1 be revised and reduced from 2738.6km² to 486.6km² to better reflect submissions and a more precise assessment of the likely distribution of the resource. Officials believe the revised 12WAI1 block significantly addresses the concerns raised by submitters relating to sites of significance.

There are also several pieces of legislation that explicitly allow for the consideration of areas of local, cultural (including wāhi tapu) and historical significance. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12WAI1, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the revised block 12WAI1, we believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi/local

government and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 (**RMA**) on land and within 12 nautical miles, and the Exclusive Economic Zone (**EEZ**) legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12WAI1, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that the Hauāuru ki Uta Regional Management Committee is associated with the Ngāti Maniapoto Māori Trust Board and that the Crown is either in active negotiations with, or will enter negotiations with Maniapoto. OTS has also advised that Ngāti Te Wehi is not currently in negotiations but is in the process of developing a mandate strategy.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

As an onshore block, operators will require consent under the Resource Management Act 1991 (**RMA**) from the relevant council for many petroleum related activities. The environmental effects of resource development proposals will be considered during the consenting process under the RMA.

Operators will also be required to comply with the provisions of the Health and Safety in Employment Act 1992.

One council submitter suggested that landowners located within the specified block areas be notified prior to the bidding round commencing. Information, including the location of the proposed blocks, has been publicly available on the New Zealand Petroleum & Minerals website since 9 February 2012. Further information will be made publicly available following the release of the Block Offer 2012 bidding round.

Concerns were raised about the need for more stringent health, safety and environmental controls. The government has been and is undertaking a number of measures this year to strengthen the regulatory environment. These are detailed in Annex 6.

We believe these changes will provide a robust health, safety and environmental framework governing activity through the full life cycle of petroleum development activity. The initiatives also ensure better coordination and collaboration between those government agencies involved in the sector across the life of a petroleum development operation.

Recommendations

Officials recommend that block 12WAI1 be revised and reduced from 2738.6 km² to 486.6 km² to better reflect submissions and a more precise assessment of the likely distribution of the resource. The revised block is indicated on the map below.

The effect of this change addresses the concerns of most submitters. Where there may be sites of significance where there is not sufficient specificity to consider a request for exclusion, the provisions indicated to facilitate iwi and company engagement are proposed as the most effective means of ensuring active protection of such sites.

Block 12WAI1



Block 12TAR1

Block 12TAR1 is prospective for oil and gas as it is likely to have similar geology to the producing Moturoa and Kaimiro fields that border the block. The close proximity of the block to the Kowhai and Mangahewa fields suggests potential also exists for deeper gas/condensate discoveries. The block has moderate 2D seismic coverage but little data post 1994.

Four submissions were received on proposed block 12TAR1.

Submissions were received from two of the five groups consulted on the proposed block 12TAR1; one iwi authority and one council. Two further submissions were received from iwi authorities contacted regarding other proposed blocks.

Summary of comments

The Taranaki Iwi Trust supported the introduction of a competitive block offer process *“which provides for an assessment of bidders to ensure the safe and responsible development of mineral resources in Aotearoa”*. In respect of the criteria for evaluating bids, they suggested criteria be added in relation to the environmental protection expertise and health and safety practices of the bidder, and that the description under the Community and Iwi Awareness criteria should read *“capability in and commitment to engaging with local communities including iwi (Māori tribes)”*.

The submitter also stated they have an *“expectation that there will be engagement with iwi prior to an exploration permit being issued, and therefore submit that bidders be required to demonstrate engagement with iwi in respect of the blocks they are bidding for.”*

The submitter requested that block 12TAR1 be excluded from Block Offer 2012 as the *“number of historically and culturally significant sites are too numerous to seek exclusion of each one from the proposed block.”*

The New Plymouth District Council noted that *“given the history of oil and gas exploration and production in the district our planning consents staff generally have a good knowledge of, and experience of working with, the onshore industry”*.

The Council commented that the New Plymouth district, within which Blocks 12TAR1 and 12TAR2 are located, is rich in sites of significance to Māori and most of which are archaeological sites. *“There are currently in excess of 770 Waahi Tapu sites scheduled and mapped in the District Plan. While this Council is currently undertaking a comprehensive review of all known sites of significance within the district with a view to plotting their positions and extents to GPS accuracy, this review is not yet complete. Present indications from the review findings to date suggest we will end up with in excess of 1000 Waahi Tapu sites recorded in the District Plan on completion of the review.”*

This submitter noted that the list of iwi proposed to be consulted does not include all iwi and hapū organisations that the Council would normally consult with in relation to consent matters. They further noted that mana whenua is strongly asserted at hapū level in the New Plymouth district and it is the hapū that the Council routinely consult with. The submitter commented that the Ministry diagram ‘Government Management of Petroleum’ appears to

place an emphasis on consultation with iwi with little reference to hapū and offered to assist the Ministry and/or the successful bidder/s by providing the most current contact information for local iwi and hapū.

The submitter also noted that the New Plymouth District Plan provisions are reasonably exploration friendly. *“The New Plymouth District Plan is an ‘effects based’ plan and has been designed, as far as practicable, to only trigger a requirement for land use consent where an environmental standard, as set out in the rules of the plan, is likely to be exceeded”.*

Ngā Hapū o Poutama opposed offshore mining and drilling in its rohe, particularly in blocks 12TAR11, 12TAR12, 12TAR13, and 12TAR14. This submitter stated that they have the right to own, control, and use their land, seas, waterways and other resources and that they intend to exercise their rights of rangātira and kaitiaki within these resources. They also noted they are open to discussion if the Crown or companies are interested in developing these blocks.

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating *“any of our minerals within our territory”*, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Officials’ comments

Exclusion request

An analysis of the exclusion requests from the Taranaki Iwi Trust, Ngā Hapū o Poutama and Ngāruahine Iwi Authority is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR1, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

Given the very significant number of sites identified, the importance attached to them by submitters, and that a review is currently being undertaken to provide more clarity as to the number and location of significant sites within the region, officials consider the best option in

this instance is to defer offering block 12TAR1 for competitive tender until such time as we are able to make a more informed decision regarding the balance of providing active protection and appropriate resource development. The Ministry will continue to engage with submitters to discuss the matter further.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that claims relating to Ngā Hapū o Poutama relating to Ngāti Tama have been settled through the Ngāti Tama Claims Settlement Act and that any outstanding claims will be dealt with in the Ngāti Maniapoto settlement.

OTS has also advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāruahine is one of the claimants in Wai 796.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

In respect of comments on evaluation criteria, the evaluation of a permit application includes an assessment of the applicant's technical and financial capability to carry out the proposed work programme (according to sections 5.4.21 to 5.4.30 of the Minerals Programme for Petroleum (2005)). It is also important to note that a key proposal of the Crown Minerals Act regime review is to develop a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised during the permitting process.

Recommendations

Officials recommend that Block 12TAR1 is deferred for competitive tender until such time as it will be possible to make a more informed decision regarding the balance of providing active protection and appropriate resource development. This recommendation takes account of: the very significant number of sites involved; that a review is currently being undertaken to provide more clarity as to the number and location within the region; and that Taranaki Iwi are expected to be better placed within a reasonable period of time to engage more fully post settlement.

Block 12TAR1



Block 12TAR2

Block 12TAR2 is prospective for oil discoveries. The block borders the producing Kaimiro field, and geology similar to that found in this field is likely. Some prospectivity also exists for deep gas/condensate. Good 2D seismic coverage is available with a modern 2D seismic survey at the south of the block. 3D datasets are available in neighbouring permits.

Eight submissions were received on proposed block 12TAR2.

Submissions were received from five of the ten groups consulted on the proposed block; four iwi authorities and one council. Three further submissions were received from hapū represented by the contacted iwi authorities.

Summary of comments

The Taranaki Iwi Trust supported the introduction of a competitive block offer process *“which provides for an assessment of bidders to ensure the safe and responsible development of mineral resources in Aotearoa”*. In respect of the criteria for evaluating bids, they suggested criteria be added in relation to the environmental protection expertise and health and safety practices of the bidder, and that the description under the Community and Iwi Awareness criteria should read *“capability in and commitment to engaging with local communities including iwi (Māori tribes)”*.

The submitter also stated they have an *“expectation that there will be engagement with iwi prior to an exploration permit being issued, and therefore submit that bidders be required to demonstrate engagement with iwi in respect of the blocks they are bidding for.”*

The submitter requested that block 12TAR2 be excluded from Block Offer 2012 as the *“number of historically and culturally significant sites are too numerous to seek exclusion of each one from the proposed block.”*

The New Plymouth District Council noted that *“given the history of oil and gas exploration and production in the district our planning consents staff generally have a good knowledge of, and experience of working with, the onshore industry”*.

The Council commented that the New Plymouth district, within which blocks 12TAR1 and 12TAR2 are located, is rich in sites of significance to Māori and most of which are archaeological sites. *“There are currently in excess of 770 Waahi Tapu sites scheduled and mapped in the District Plan. While this Council is currently undertaking a comprehensive review of all known sites of significance within the district with a view to plotting their positions and extents to GPS accuracy, this review is not yet complete. Present indications from the review findings to date suggest we will end up with in excess of 1000 Waahi Tapu sites recorded in the District Plan on completion of the review.”*

This submitter noted that the list of iwi proposed to be consulted does not include all iwi and hapū organisations that the Council would normally consult with in relation to consent matters. They further noted that mana whenua is strongly asserted at hapū level in the New Plymouth district and it is the hapū that the Council routinely consult with. The submitter commented that the Ministry diagram ‘Government Management of Petroleum’ appears to place an emphasis on consultation with iwi with little reference to hapū and offered to assist

the Ministry and/or the successful bidder/s by providing the most current contact information for local iwi and hapū.

The submitter also noted that the New Plymouth District Plan provisions are reasonably exploration friendly. *“The New Plymouth District Plan is an ‘effects based’ plan and has been designed, as far as practicable, to only trigger a requirement for land use consent where an environmental standard, as set out in the rules of the plan, is likely to be exceeded”.*

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating *“any of our minerals within our territory”*, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Ōkahu/Inuāwai Hapū opposed the block offer on the *“grounds of wāhi tapu, whakapapa and as part of our treaty interest as per the Waitangi tribunal.”*

Ngāti Tūpaia Hapū opposed the proposed block offer in South Taranaki and noted that *“As Hau Kainga - whakapapa to the area, and kaitiaki over our Wāhi Tapu we strongly object to the lack of consultation with us and more importantly the desecration of our land and water.”*

Ngā Hapū o Poutama is opposed to offshore mining and drilling in its rohe, particularly in Blocks 12TAR11, 12TAR12, 12TAR13, and 12TAR14. This submitter stated that they have the right to own, control, and use their land, seas, waterways and other resources and that they intend to exercise their rights of rangātira and kaitiaki within these resources. They also noted they are open to discussion if the Crown or companies are interested in developing these Blocks.

Te Runanga o Ngāti Ruanui endorsed *“the ability to determine the most suitable operators through the competitive block offer process”* and commented that *“any evaluation should determine a company’s credentials for engaging and involving Iwi in the activities they wish to undertake”.*

Ngāti Haua opposed oil and mineral exploration in the South Taranaki area.

Officials’ comments

Exclusion requests

An analysis of the exclusion requests from the Taranaki Iwi Trust, Ngāruahine Iwi Authority, Ōkahu/Inuāwai Hapū, Ngāti Tūpaia Hapū, Ngā Hapū o Poutama, and Ngāti Haua is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3 attached.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR2, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

Given the very significant number of sites identified, the importance attached to them by submitters, and that a review is currently being undertaken to provide more clarity as to the number and location of significant sites within the region, officials consider the best option in this instance is to defer offering block 12TAR2 for competitive tender until such time as we are able to make a more informed decision regarding the balance of providing active protection and appropriate resource development. The Ministry will continue to engage with submitters to discuss the matter further.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that claims relating to Ngā Hapū o Poutama relating to Ngāti Tama have been settled through the Ngāti Tama Claims Settlement Act and that any outstanding claims will be dealt with in the Ngāti Maniapoto settlement.

OTS has also advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāti Haua, Ngāti Tūpaia Hapū and Ōkahu/Inuāwai Hapū are hapū of Ngāruahine. Ngāruahine is one of the claimants in Wai 796.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

In respect of comments on evaluation criteria, the evaluation of a permit application includes an assessment of the applicant's technical and financial capability to carry out the proposed work programme (according to sections 5.4.21 to 5.4.30 of the Minerals Programme for Petroleum (2005)). It is also important to note that a key proposal of the Crown Minerals Act regime review is to develop a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised during the permitting process.

Recommendations

Officials recommend that Block 12TAR2 is deferred for competitive tender until such time as it will be possible to make a more informed decision regarding the balance of providing active protection and appropriate resource development. This recommendation takes account of: the very significant number of sites involved; that a review is currently being undertaken to provide more clarity as to the number and location within the district; and that Taranaki Iwi are expected to be better placed within a reasonable period of time to engage more fully post settlement.

Block 12TAR2



Block 12TAR3

Block 12TAR3 borders producing fields and discoveries on all sides. The block is highly prospective, bordering multiple small to medium oil and gas fields, including the Cheal, Waihapa, Ahuroa and Radnor. There is good potential for an oil and gas discovery, and a short distance to infrastructure would make small finds economic. Moderate vintage 2D seismic coverage is present and modern 3D coverage is available over much of the block.

Seven submissions were received on proposed block 12TAR3.

Submissions were received from four of the eight groups consulted on the proposed block; three iwi authorities and one council. Three further submissions were received from hapū represented by the contacted iwi authorities.

Summary of comments

The Taranaki Iwi Trust supported the introduction of a competitive block offer process “*which provides for an assessment of bidders to ensure the safe and responsible development of mineral resources in Aotearoa*”. In respect of the criteria for evaluating bids, they suggested criteria be added in relation to the environmental protection expertise and health and safety practices of the bidder, and that the description under the Community and Iwi Awareness criteria should read “*capability in and commitment to engaging with local communities including iwi (Māori tribes)*”.

The submitter also stated they have an “*expectation that there will be engagement with iwi prior to an exploration permit being issued, and therefore submit that bidders be required to demonstrate engagement with iwi in respect of the blocks they are bidding for.*”

The Stratford District Council supported the demonstration of an understanding of, and engagement with, iwi as part of the bid evaluation criteria. They noted that there are several cultural and heritage sites within their district that iwi will want to ensure are protected. The Council expressed a desire for benefits of oil and gas exploration to be seen locally and is interested in seeing how companies can “*make a positive contribution to the community in which they are to undertake exploration for oil and gas*”. The submission suggested ways, such as employment opportunities, sponsorship of community events and community grants, in which companies can make positive contributions to these communities.

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating “*any of our minerals within our territory*”, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Ōkahu/Inuāwai Hapū opposed the block offer on the “*grounds of wāhi tapu, whakapapa and as part of our treaty interest as per the Waitangi tribunal.*”

Ngāti Tūpaia Hapū opposed the proposed block offer in South Taranaki and noted that “*As Hau Kainga - whakapapa to the area, and kaitiaki over our Wāhi Tapu we strongly object to the lack of consultation with us and more importantly the desecration of our land and water.*”

Te Runanga o Ngāti Ruanui endorsed “*the ability to determine the most suitable operators through the competitive block offer process*” and commented that “*any evaluation should determine a company’s credentials for engaging and involving iwi in the activities they wish to undertake*”.

This submitter has also requested identified Urupā sites are removed “*given their historical and cultural sensitivity to hapū and whānau*.” They have also requested that “*any area, regardless of land title boundaries, or native vegetation 1 ha or greater, where that vegetation is 3 metres or greater in height*” be excluded from the Block Offer.

Ngāti Haua opposed oil and mineral exploration in the South Taranaki area.

Officials’ comments

Exclusion request

An analysis of the exclusion requests from the Ngāruahine Iwi Authority, Ōkahu/Inuāwai Hapū, Ngāti Tūpaia Hapū, Te Runanga o Ngāti Ruanui and Ngāti Haua is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR3, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the majority of sites located within block 12TAR3, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 (**RMA**) on land and within 12 nautical miles,

and the Exclusive Economic Zone (**EEZ**) legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12TAR3, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāti Haua, Ngāti Tūpaia Hapū and Ōkahu/Inuāwai Hapū are hapū of Ngāruahine. Ngāruahine is one of the claimants in Wai 796.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

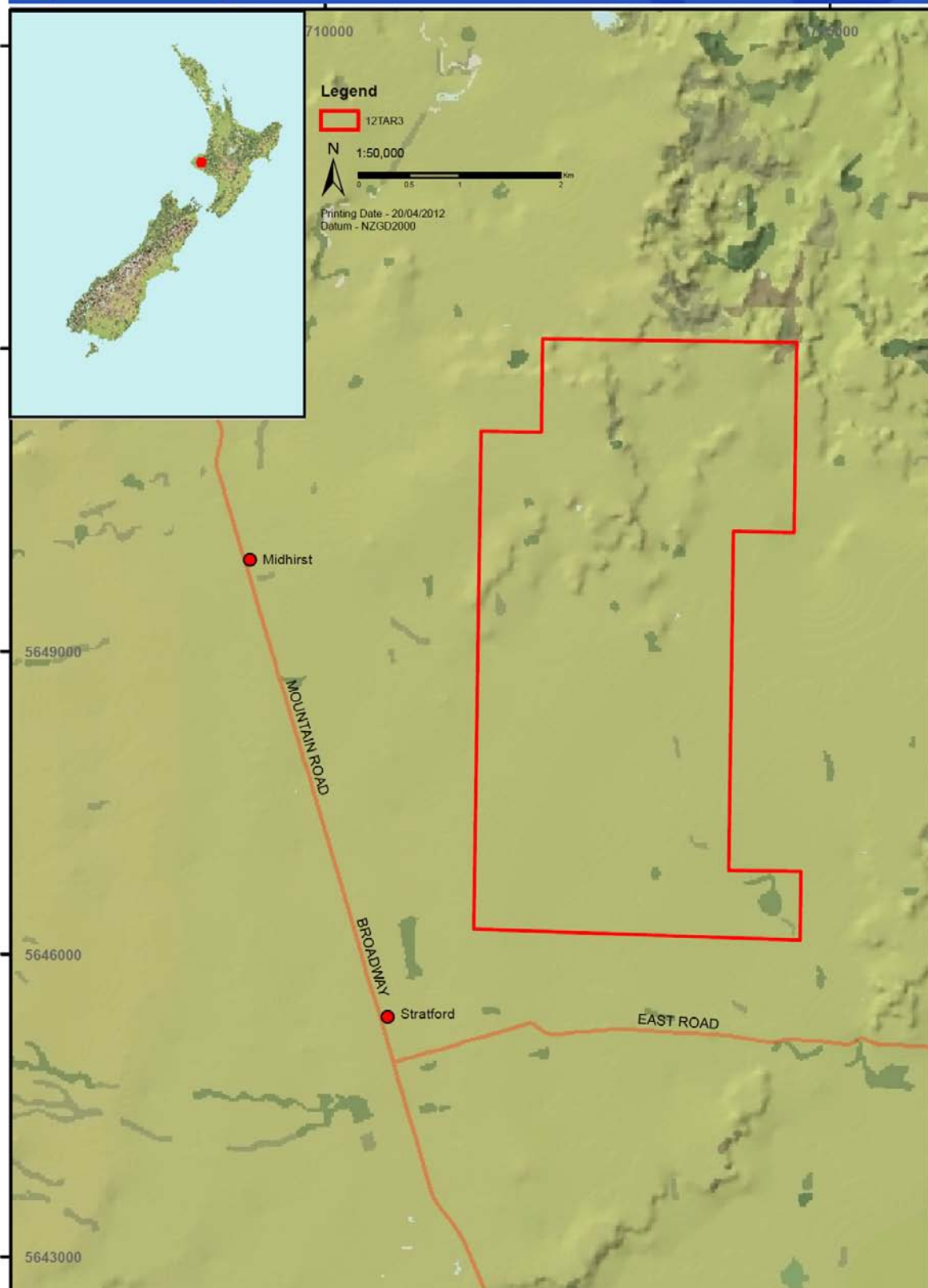
In respect of comments on evaluation criteria, the evaluation of a permit application includes an assessment of the applicant's technical and financial capability to carry out the proposed work programme (according to sections 5.4.21 to 5.4.30 of the Minerals Programme for Petroleum (2005)). It is also important to note that a key proposal of the Crown Minerals Act regime review is to develop a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised during the permitting process.

Submitters' comments relating to the desire for benefits to be seen locally have been noted by officials working on the Block Offer.

Recommendations

Officials recommend that Block 12TAR3 be released as per the map below.

Block 12TAR3



Block 12TAR4

Block 12TAR4 borders producing fields and discoveries on all sides. These are small to medium oil and gas fields, including the Cheal, Waihapa, Ahuroa and Radnor, and indicate this area is highly prospective. Multiple operators have requested that this area be included in the block offer. A short distance to infrastructure would make small discoveries economic. Moderate vintage 2D seismic coverage is present and modern 3D coverage is available over much of the permit.

Six submissions were received on proposed block 12TAR4.

Submissions were received from three of the seven groups consulted on the proposed block; two iwi authorities and one council. Three further submissions were received from hapū represented by the contacted iwi authorities.

Summary of comments

The Stratford District Council supported the demonstration of an understanding of, and engagement with, iwi as part of the bid evaluation criteria. They noted that there are several cultural and heritage sites within their district that iwi will want to ensure are protected. The Council expressed a desire for benefits of oil and gas exploration to be seen locally and is interested in seeing how companies can *“make a positive contribution to the community in which they are to undertake exploration for oil and gas”*. The submission suggested ways, such as employment opportunities, sponsorship of community events and community grants, in which companies can make positive contributions to these communities.

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating *“any of our minerals within our territory”*, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Ōkahu/Inuāwai Hapū opposed the block offer on the *“grounds of wāhi tapu, whakapapa and as part of our treaty interest as per the Waitangi tribunal.”*

Ngāti Tūpaia Hapū opposed the proposed block offer in South Taranaki and noted that *“As Hau Kainga - whakapapa to the area, and kaitiaki over our Wāhi Tapu we strongly object to the lack of consultation with us and more importantly the desecration of our land and water.”*

Te Runanga o Ngāti Ruanui endorsed *“the ability to determine the most suitable operators through the competitive block offer process”* and commented that *“any evaluation should determine a company’s credentials for engaging and involving iwi in the activities they wish to undertake”*.

This submitter requested land within 20 metres of the Pātea Awa (River) be excluded as it is a Statutory Acknowledgement Area and a specifically recognised catchment in the iwi authority’s Environmental Management Plan. The submitter has further suggested *“that any exploration activity that occurs within 100 metres of the Pātea Awa is referred by the successful company”* to the iwi authority for comment (which would be provided within 20 working days of notification). The submitter stated this referral will ensure the Statutory Acknowledgement Area is adequately recognised and the authority’s *“unique role of*

Kaitiakitanga for the Pātea Awa is enduring through the exploration permit process, especially during a site selection process for exploration activities”.

This submitter has also requested the Whakaahurangi Marae site and identified Urupā sites are removed “*given their historical and cultural sensitivity to hapū and whānau.*” They have also requested that “*any area, regardless of land title boundaries, or native vegetation 1 ha or greater, where that vegetation is 3 metres or greater in height*” be excluded from the Block Offer.

Ngāti Haua opposed oil and mineral exploration in the South Taranaki area.

Officials’ comments

Exclusion requests

An analysis of the exclusion requests from the Ngāruahine Iwi Authority, Ōkahu/Inuāwai Hapū, Ngāti Tūpaia Hapū, Te Runanga o Ngāti Ruanui and Ngāti Haua is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR4, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the majority of sites located within block 12TAR4, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 (**RMA**) on land and within 12 nautical miles, and the Exclusive Economic Zone (**EEZ**) legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12TAR4, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāti Haua, Ngāti Tūpaia Hapū and Ōkahu/Inuāwai Hapū are hapū of Ngāruahine. Ngāruahine is one of the claimants in Wai 796.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

In respect of comments on evaluation criteria, the evaluation of a permit application includes an assessment of the applicant's technical and financial capability to carry out the proposed work programme (according to sections 5.4.21 to 5.4.30 of the Minerals Programme for Petroleum (2005)). It is also important to note that a key proposal of the Crown Minerals Act regime review is to develop a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised during the permitting process.

Submitters' comments relating to the desire for benefits to be seen locally have been noted by officials working on the Block Offer.

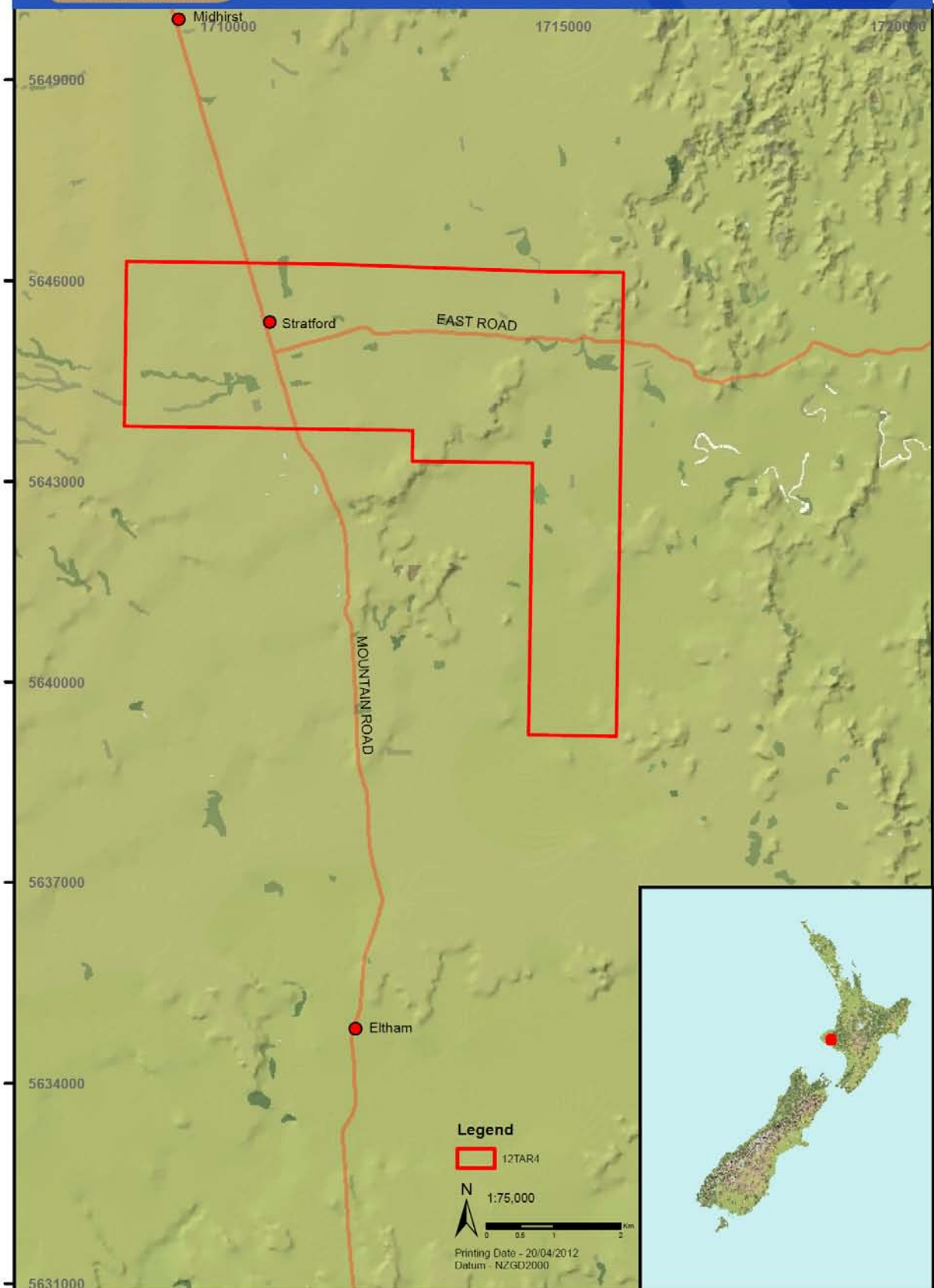
Recommendations

Officials recommend that Block 12TAR4 be released as per the map below, but that the following condition is added in relation to a specific area (the Pātea River) within the block:

The 12TAR4 permit holder must give written notice to Te Runanga o Ngati Ruanui iwi at least 20 working days prior to undertaking exploration activities within 100 metres of the Patea Awa (River).

This recommendation takes account of the importance of the river to iwi and as recognised in a Treaty settlement, and a request by Ngāti Ruanui regarding consultation prior to activity occurring.

Block 12TAR4



Block 12TAR5

While there have been no wells drilled in the block, producing fields border the block on three sides. The close proximity of the Cheal and Copper Moki oil discoveries make this area highly prospective. Potential for oil and gas discoveries is high, and a short distance to infrastructure would make small finds economic. This block has 3D data coverage and some older 2D data.

Seven submissions were received on proposed block 12TAR5.

Submissions were received from four of the eight groups consulted on the proposed block; two iwi authorities and two councils. Three further submissions were received from hapū represented by the contacted iwi authorities.

Summary of comments

Both South Taranaki District Council and Stratford District Council expressed a desire for the benefits of oil and gas exploration to be seen locally.

The South Taranaki District Council commented that as a Territorial Local Authority they have an interest in mineral extraction to the extent that they are both an advocate for their community and also discharges statutory functions which may be affected by this activity. They asked that the *“consideration of tenders be influenced by the potential for proposals to be based in locations near to the mineral deposits, or to at least obtain staff and services locally where possible.”* This submitter also noted that mineral extraction may on occasion require Resource Consent from the Council and outlined matters that may require consideration when applying for resource consents, such as traffic, noise and significant natural areas. They asked that such matters be brought to the attention of parties seeking to obtain mineral licenses.

The Stratford District Council supported the demonstration of an understanding of, and engagement with, iwi as part of the bid evaluation criteria. They noted that there are several cultural and heritage sites within their district that iwi will want to ensure are protected. They also suggested ways, such as employment opportunities, sponsorship of community events and community grants, in which companies can *“make a positive contribution to the community in which they are to undertake exploration for oil and gas”*. The submission suggested ways, such as employment opportunities, sponsorship of community events and community grants, in which companies can make positive contributions to these communities.

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating *“any of our minerals within our territory”*, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Ōkahu/Inuāwai Hapū opposed the block offer on the *“grounds of wāhi tapu, whakapapa and as part of our treaty interest as per the Waitangi tribunal.”*

Ngāti Tūpaia Hapū opposed the proposed block offer in South Taranaki and noted that “As Hau Kainga - whakapapa to the area, and kaitiaki over our Wāhi Tapu we strongly object to the lack of consultation with us and more importantly the desecration of our land and water.”

Te Runanga o Ngāti Ruanui endorsed “the ability to determine the most suitable operators through the competitive block offer process” and commented that “any evaluation should determine a company’s credentials for engaging and involving Iwi in the activities they wish to undertake”.

This submitter has also requested that identified Urupā sites are removed “given their historical and cultural sensitivity to hapū and whānau.” They have also requested that “any area, regardless of land title boundaries, or native vegetation 1 ha or greater, where that vegetation is 3 metres or greater in height” be excluded from the Block Offer.

Ngāti Haua opposed oil and mineral exploration in the South Taranaki area.

Officials’ comments

Exclusion requests

An analysis of the exclusion requests from the Ngāruahine Iwi Authority, Ōkahu/Inuāwai Hapū, Ngāti Tūpaia Hapū, Te Runanga o Ngāti Ruanui and Ngāti Haua is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR5, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the majority of sites located within block 12TAR5, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best

stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the Exclusive Economic Zone legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12TAR5, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāti Haua, Ngāti Tūpaia Hapū and Ōkahu/Inuāwai Hapū are hapū of Ngāruahine. Ngāruahine is one of the claimants in Wai 796.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

In respect of comments on evaluation criteria, the evaluation of a permit application includes an assessment of the applicant's technical and financial capability to carry out the proposed work programme (according to sections 5.4.21 to 5.4.30 of the Minerals Programme for Petroleum (2005)). It is also important to note that a key proposal of the Crown Minerals Act regime review is to develop a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised during the permitting process.

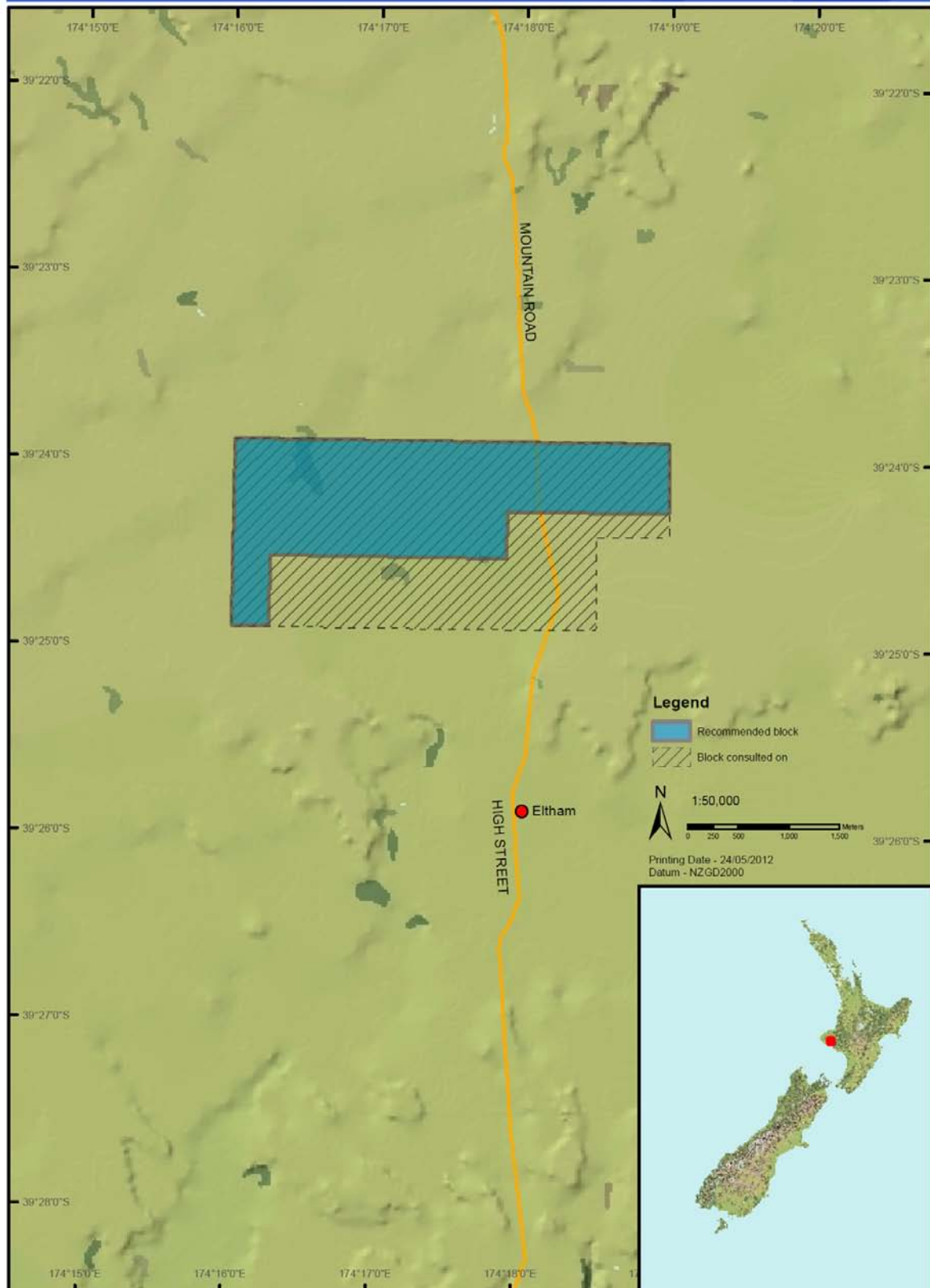
Submitters' comments relating to the desire for benefits to be seen locally have been noted by officials working on the Block Offer.

At the time the proposed blocks were released for consultation, negotiations were underway on an extension of land application over part of block 12TAR5. As this application has now been granted, a section of block 12TAR5 is no longer available for permitting and the block has been revised to reflect this.

Recommendations

Officials recommend that a revised 12TAR5 block be released as per the map below. This recommendation reflects that a section of block 12TAR5 is no longer available for permitting following the grant of an extension of land application over part of the block.

Block 12TAR5



Block 12TAR6

The close proximity of the giant Kāpuni gas/condensate field and good shows in wells to the west make 12TAR6 prospective for oil and gas. Gas chimneys are visible in seismic, and shows the area has access to hydrocarbon charge. This block has moderate 2D seismic coverage but no modern data post 1995.

Seven submissions were received on proposed block 12TAR6.

Submissions were received from four of the six groups consulted on the proposed block; two iwi authorities and two councils. Three further submissions were received from hapū represented by the contacted iwi authorities.

Summary of comments

Both South Taranaki District Council and Stratford District Council expressed a desire for the benefits of oil and gas exploration to be seen locally.

The South Taranaki District Council commented that as a Territorial Local Authority they have an interest in mineral extraction to the extent that they are both an advocate for their community and also discharges statutory functions which may be affected by this activity. They asked that the *“consideration of tenders be influenced by the potential for proposals to be based in locations near to the mineral deposits, or to at least obtain staff and services locally where possible.”* This submitter also noted that mineral extraction may on occasion require Resource Consent from the Council and outlined matters that may require consideration when applying for resource consents, such as traffic, noise and significant natural areas. They asked that such matters be brought to the attention of parties seeking to obtain mineral licenses.

The Stratford District Council supported the demonstration of an understanding of, and engagement with, iwi as part of the bid evaluation criteria. They noted that there are several cultural and heritage sites within their district that iwi will want to ensure are protected. They also suggested ways, such as employment opportunities, sponsorship of community events and community grants, in which companies can *“make a positive contribution to the community in which they are to undertake exploration for oil and gas”*. The submission suggested ways, such as employment opportunities, sponsorship of community events and community grants, in which companies can make positive contributions to these communities.

Ngāti Haua opposed oil and mineral exploration in the South Taranaki area.

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating *“any of our minerals within our territory”*, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Ōkahu/Inuāwai Hapū opposed the block offer on the *“grounds of wāhi tapu, whakapapa and as part of our treaty interest as per the Waitangi tribunal.”*

Ngāti Tūpaia Hapū opposed the proposed block offer in South Taranaki and noted that “As *Hau Kainga - whakapapa to the area, and kaitiaki over our Wāhi Tapu we strongly object to the lack of consultation with us and more importantly the desecration of our land and water.*”

Te Runanga o Ngāti Ruanui endorsed “*the ability to determine the most suitable operators through the competitive block offer process*” and commented that “*any evaluation should determine a company’s credentials for engaging and involving iwi in the activities they wish to undertake*”.

Officials’ comments

Exclusion requests

An analysis of the exclusion requests from the Ngāruahine Iwi Authority, Ngāti Haua, Ōkahu/Inuāwai Hapū, and Ngāti Tūpaia Hapū is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR6, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the sites located within block 12TAR6, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the Exclusive Economic Zone legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12TAR6, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāti Haua, Ngāti Tūpaia Hapū and Ōkahu/Inuāwai Hapū are hapū of Ngāruahine. Ngāruahine is one of the claimants in Wai 796.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

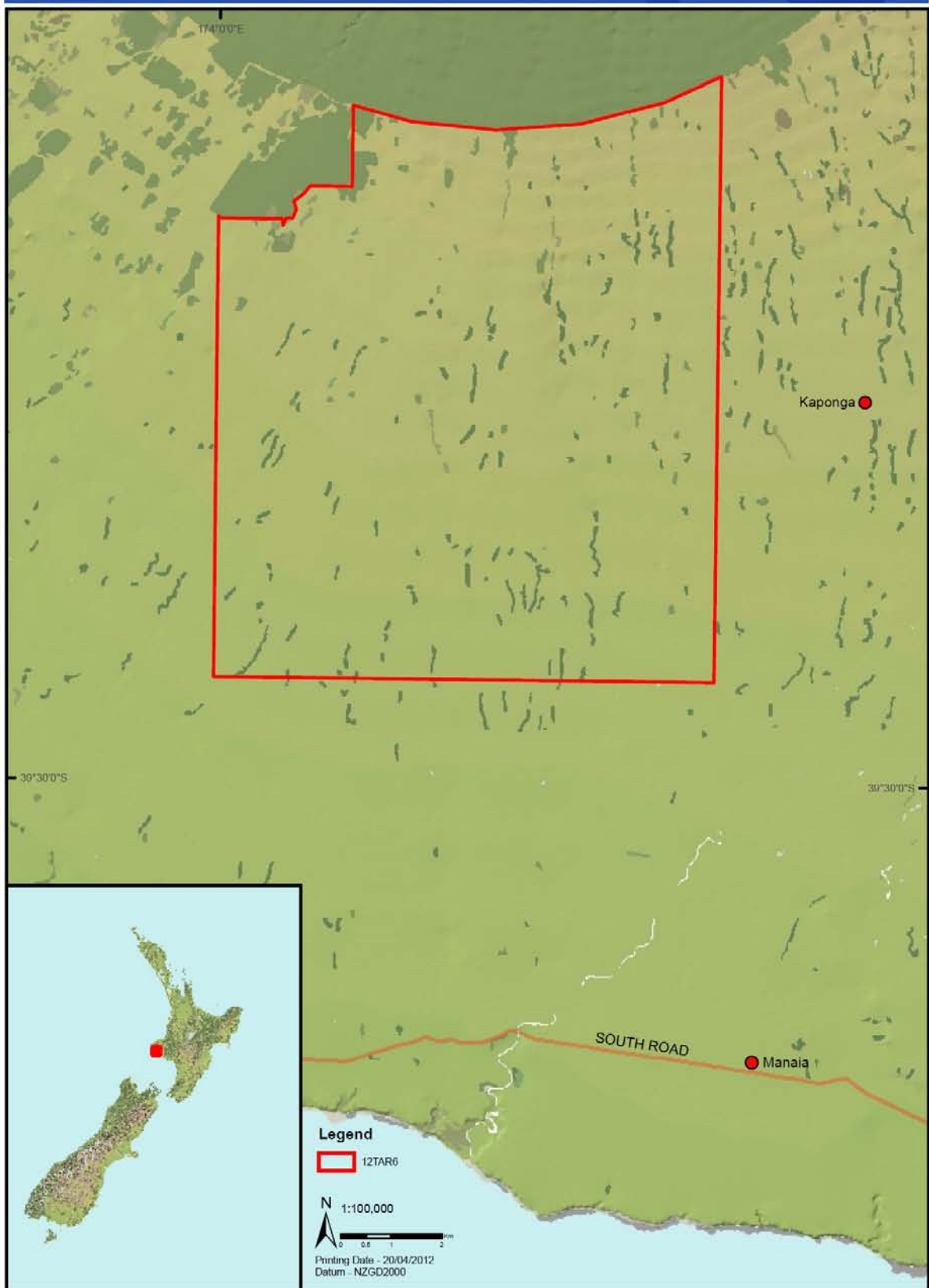
In respect of comments on evaluation criteria, the evaluation of a permit application includes an assessment of the applicant's technical and financial capability to carry out the proposed work programme (according to sections 5.4.21 to 5.4.30 of the Minerals Programme for Petroleum (2005)). It is also important to note that a key proposal of the Crown Minerals Act regime review is to develop a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised during the permitting process.

Submitters' comments relating to the desire for benefits to be seen locally have been noted by officials working on the Block Offer.

Recommendations

Officials recommend that Block 12TAR6 be released as per the map below.

Block 12TAR6



Block 12TAR7

Some industry interest has been expressed in the area. This block contains some prospectivity, but deep burial of potential reservoir rocks may inhibit exploration in the block. The area has moderate to low 2D seismic coverage and no wells have been drilled in the block.

Six submissions were received on proposed block 12TAR7.

Submissions were received from three of the five groups consulted on the proposed block; two authorities and one council. Three further submissions were received from hapū represented by the contacted iwi authorities.

Summary of comments

The South Taranaki District Council stated they have a “*strong desire*” for the benefits of mineral extraction to be seen locally. They commented that as a Territorial Local Authority they have an interest in mineral extraction to the extent that they are both an advocate for their community and also discharges statutory functions which may be affected by this activity. They asked that the “*consideration of tenders be influenced by the potential for proposals to be based in locations near to the mineral deposits, or to at least obtain staff and services locally where possible.*” This submitter also noted that mineral extraction may on occasion require Resource Consent from the Council and outlined matters that may require consideration when applying for resource consents, such as traffic, noise and significant natural areas. They asked that such matters be brought to the attention of parties seeking to obtain mineral licenses.

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating “*any of our minerals within our territory*”, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Ōkahu/Inuāwai Hapū opposed the block offer on the “*grounds of wāhi tapu, whakapapa and as part of our treaty interest as per the Waitangi tribunal.*”

Ngāti Tūpaia Hapū opposed the proposed block offer in South Taranaki and noted that “*As Hau Kainga - whakapapa to the area, and kaitiaki over our Wāhi Tapu we strongly object to the lack of consultation with us and more importantly the desecration of our land and water.*”

Te Runanga o Ngāti Ruanui endorsed “*the ability to determine the most suitable operators through the competitive block offer process*” and commented that “*any evaluation should determine a company’s credentials for engaging and involving Iwi in the activities they wish to undertake*”.

Ngāti Haua opposed oil and mineral exploration in the South Taranaki area.

Officials' comments

Exclusion requests

An analysis of the exclusion requests from the Ngāruahine Iwi Authority, Ngāti Haua, Ōkahu/Inuāwai Hapū, and Ngāti Tūpaia Hapū is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR7, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the sites located within block 12TAR7, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the Exclusive Economic Zone legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12TAR7, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa

(Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāti Haua, Ngāti Tūpaia Hapū and Ōkahu/Inuāwai Hapū are hapū of Ngāruahine. Ngāruahine is one of the claimants in Wai 796.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

In respect of comments on evaluation criteria, the evaluation of a permit application includes an assessment of the applicant's technical and financial capability to carry out the proposed work programme (according to sections 5.4.21 to 5.4.30 of the Minerals Programme for Petroleum (2005)). It is also important to note that a key proposal of the Crown Minerals Act regime review is to develop a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised during the permitting process.

Submitters' comments relating to the desire for benefits to be seen locally have been noted by officials working on the Block Offer.

Recommendations

Officials recommend that Block 12TAR7 be released as per the map below.

Block 12TAR7



Block 12TAR8

This block is prospective as it is located above a hydrocarbon kitchen, but deep burial of potential reservoir rocks may inhibit exploration. Some industry interest has been expressed in the acreage. The close proximity of the Māui gas/condensate field and good shows in wells in adjacent blocks proves all the ingredients are present for a discovery. This area has moderate vintage 2D seismic coverage but no modern data.

Seven submissions were received on proposed block 12TAR8.

Submissions were received from four of the seven groups consulted on the proposed block; three iwi authorities and one council. Three further submissions were received from hapū represented by the contacted iwi authorities.

Summary of comments

The South Taranaki District Council stated they have a “*strong desire*” for the benefits of mineral extraction to be seen locally. They commented that as a Territorial Local Authority they have an interest in mineral extraction to the extent that they are both an advocate for their community and also discharges statutory functions which may be affected by this activity. They asked that the “*consideration of tenders be influenced by the potential for proposals to be based in locations near to the mineral deposits, or to at least obtain staff and services locally where possible.*” This submitter also noted that mineral extraction may on occasion require Resource Consent from the Council and outlined matters that may require consideration when applying for resource consents, such as traffic, noise and significant natural areas. They asked that such matters be brought to the attention of parties seeking to obtain mineral licenses.

The Taranaki Iwi Trust supported the introduction of a competitive block offer process “*which provides for an assessment of bidders to ensure the safe and responsible development of mineral resources in Aotearoa*”. In respect of the criteria for evaluating bids, they suggested criteria be added in relation to the environmental protection expertise and health and safety practices of the bidder, and that the description under the Community and Iwi Awareness criteria should read “*capability in and commitment to engaging with local communities including iwi (Māori tribes)*”.

The submitter also stated they have an “*expectation that there will be engagement with iwi prior to an exploration permit being issued, and therefore submit that bidders be required to demonstrate engagement with iwi in respect of the blocks they are bidding for.*”

This submitter also commented that the “*proposed 12TAR8 block included an area used for customary fishing and where traditional kaimoana (seafood) reefs are located and these areas should be excluded from the parameters of the proposed 12TAR8 block.*” The iwi authority has indicated it would be happy to work through this detail with the Ministry.

Ōkahu/Inuāwai Hapū opposed the block offer on the “*grounds of wāhi tapu, whakapapa and as part of our treaty interest as per the Waitangi tribunal.*”

Ngāti Tūpaia Hapū opposed the proposed block offer in South Taranaki and noted that “*As Hau Kainga - whakapapa to the area, and kaitiaki over our Wāhi Tapu we strongly object to the lack of consultation with us and more importantly the desecration of our land and water.*”

Te Runanga o Ngāti Ruanui endorsed “*the ability to determine the most suitable operators through the competitive block offer process*” and commented that “*any evaluation should determine a company’s credentials for engaging and involving Iwi in the activities they wish to undertake*”.

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating “*any of our minerals within our territory*”, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Ngāti Haua opposed oil and mineral exploration in the South Taranaki area.

Officials’ comments

Exclusion requests

An analysis of the exclusion requests from the Taranaki Iwi Trust, Ōkahu/Inuāwai Hapū, Ngāti Tūpaia Hapū, the Ngāruahine Iwi Authority, and Ngāti Haua is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR8, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the sites located within block 12TAR8, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best

stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the Exclusive Economic Zone legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12TAR8, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāti Haua, Ngāti Tūpaia Hapū and Ōkahu/Inuāwai Hapū are hapū of Ngāruahine. Ngāruahine is one of the claimants in Wai 796.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

In respect of comments on evaluation criteria, the evaluation of a permit application includes an assessment of the applicant's technical and financial capability to carry out the proposed work programme (according to sections 5.4.21 to 5.4.30 of the Minerals Programme for Petroleum (2005)). It is also important to note that a key proposal of the Crown Minerals Act regime review is to develop a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised during the permitting process.

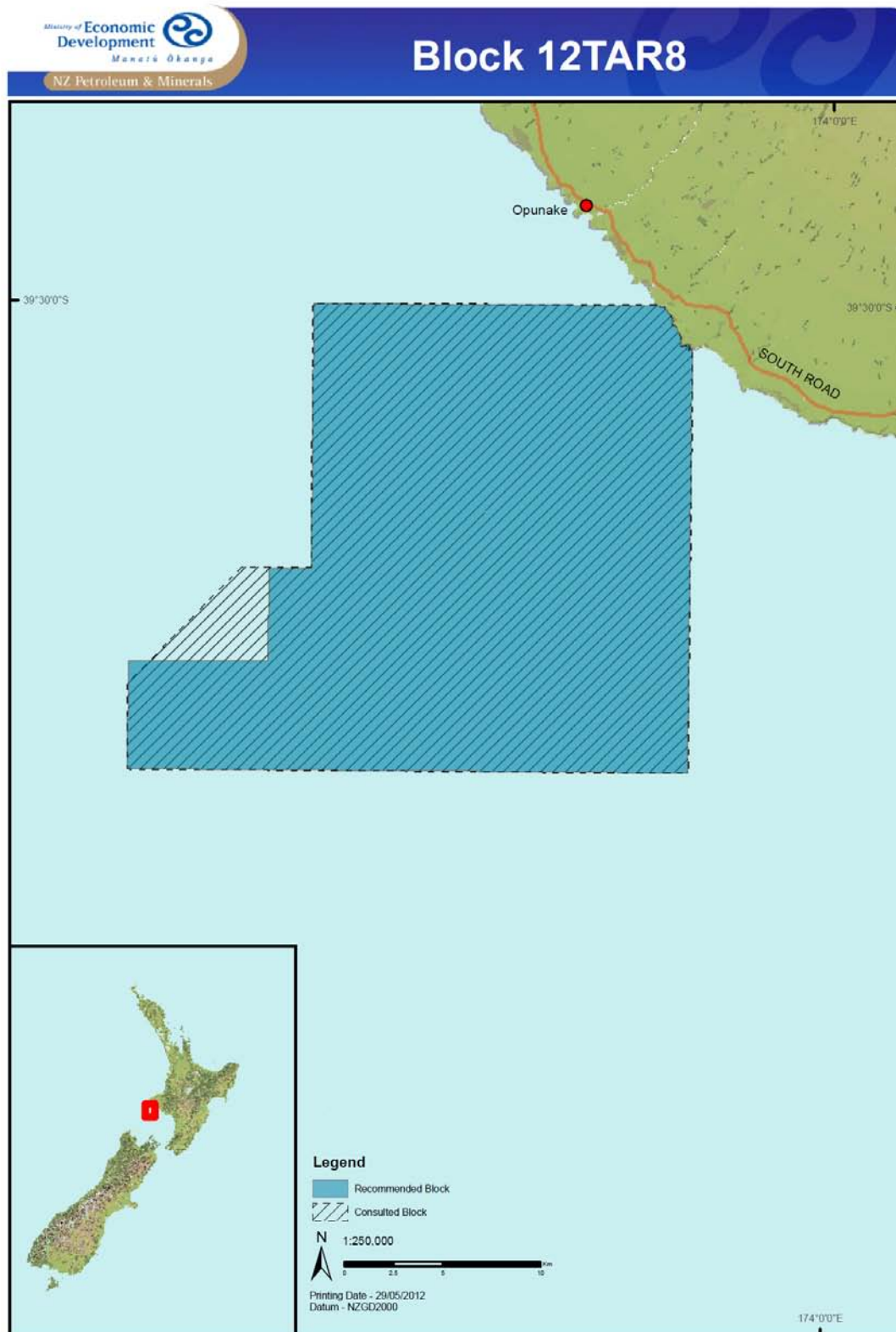
Submitters' comments relating to the desire for benefits to be seen locally have been noted by officials working on the Block Offer.

Following the grant of an Extension of Duration over Petroleum Exploration Permit 381203, and the resulting relinquishment of part of this permit area, it is recommended that the western boundary of block 12TAR8 be redefined in a graticular format to be consistent with in house policy on petroleum permitting¹.

¹ At the time Petroleum Exploration Permit (PEP) 381203 was allocated, in house policy allowed for permits to be defined by any straight lines rather than by latitude or longitude. Accordingly, at the time blocks were proposed for Block Offer 2012 the western boundary of 12TAR8 was defined against the diagonal boundary of the original permit area of PEP381203.

Recommendations

Officials recommend that a revised Block 12TAR8 be released as per the map below. This recommendation reflects that the western boundary of block 12TAR8 has been redefined in a graticular format to be consistent with in house policy on petroleum permitting.



Block 12TAR9

Prospectivity was previously downgraded in this block due to the result at Hector-1 (dry well), but oil shows in nearby wells show that a petroleum system is active in the area. Seismic coverage consists of multiple modern 2D surveys and a 3D survey over part of the block. These surveys indicate that undrilled prospects remain in the block, and potential for hydrocarbon discovery remains.

Six submissions were received on proposed block 12TAR9.

Submissions were received from three of the five groups consulted on the proposed block; all of which were from iwi authorities. Three further submissions were received from hapū represented by the contacted iwi authorities.

Summary of comments

The Taranaki Iwi Trust supported the introduction of a competitive block offer process “*which provides for an assessment of bidders to ensure the safe and responsible development of mineral resources in Aotearoa*”. In respect of the criteria for evaluating bids, they suggested criteria be added in relation to the environmental protection expertise and health and safety practices of the bidder, and that the description under the Community and Iwi Awareness criteria should read “*capability in and commitment to engaging with local communities including iwi (Māori tribes)*”.

The submitter also stated they have an “*expectation that there will be engagement with iwi prior to an exploration permit being issued, and therefore submit that bidders be required to demonstrate engagement with iwi in respect of the blocks they are bidding for.*”

This submitter also commented that the “*proposed 12TAR9, 12TAR10, 12TAR11, 12TAR12 and 12TAR14 offshore blocks, combined with those offshore blocks previously offered have a significant cumulative effect on the rohe’s moana.*” They have requested that an “*assessment of the cumulative effects of exploration and production activities in the Taranaki Basin should occur prior to the 12TAR9, 12TAR10, 12TAR11, 12TAR12, 12TAR13 and 12TAR14 offshore blocks being offered up for competitive tendering.*”

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating “*any of our minerals within our territory*”, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Ōkahu/Inuāwai Hapū opposed the block offer on the “*grounds of wāhi tapu, whakapapa and as part of our treaty interest as per the Waitangi tribunal.*”

Ngāti Tūpaia Hapū opposed the proposed block offer in South Taranaki and noted that “*As Hau Kainga - whakapapa to the area, and kaitiaki over our Wāhi Tapu we strongly object to the lack of consultation with us and more importantly the desecration of our land and water.*”

Te Runanga o Ngāti Ruanui endorsed “*the ability to determine the most suitable operators through the competitive block offer process*” and commented that “*any evaluation should*

determine a company's credentials for engaging and involving iwi in the activities they wish to undertake".

Ngāti Haua opposed oil and mineral exploration in the South Taranaki area.

Officials' comments

Exclusion requests

An analysis of the exclusion requests from the Ngāruahine Iwi Authority, Ōkahu/Inuāwai Hapū, Ngāti Tūpaia Hapū, and Ngāti Haua is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR9, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the sites located within block 12TAR9, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the Exclusive Economic Zone legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12TAR9, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāti Haua, Ngāti Tūpaia Hapū and Ōkahu/Inuāwai Hapū are hapū of Ngāruahine. Ngāruahine is one of the claimants in Wai 796.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline, which includes proposed block 12TAR9, will be managed by the Exclusive Economic Zone (**EEZ**) legislation once enacted and implemented by the Environmental Protection Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of activities undertaken in the EEZ or Extended Continental Shelf, including cumulative effects.

Under the legislation, activities classified as 'discretionary' will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

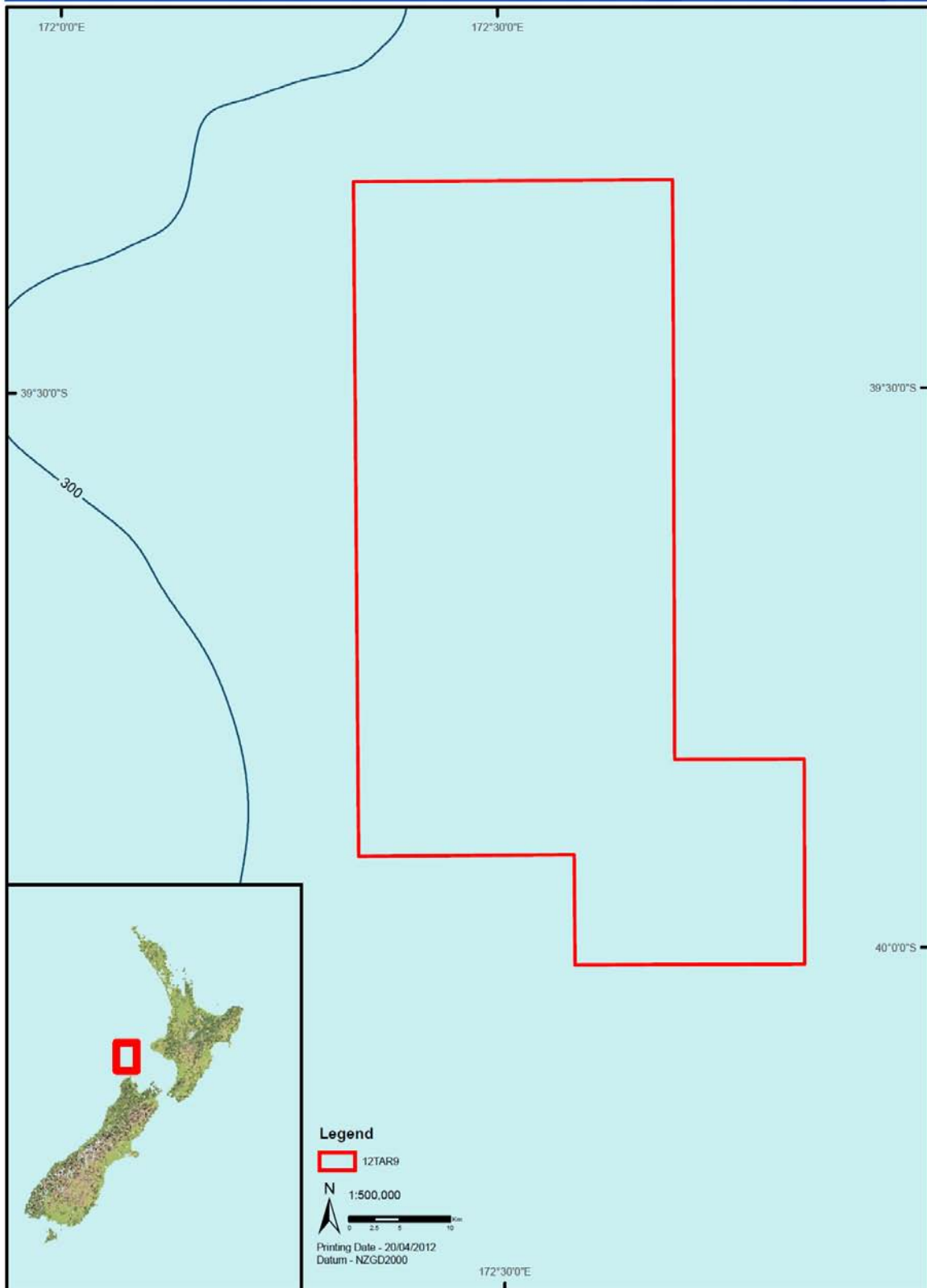
Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

In respect of comments on evaluation criteria, the evaluation of a permit application includes an assessment of the applicant's technical and financial capability to carry out the proposed work programme (according to sections 5.4.21 to 5.4.30 of the Minerals Programme for Petroleum (2005)). It is also important to note that a key proposal of the Crown Minerals Act regime review is to develop a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised during the permitting process.

Recommendations

Officials recommend that Block 12TAR9 be released as per the map below.

Block 12TAR9



Block 12TAR10

Oil shows in the nearby Kiwa-1 well and the highly productive Tui field to the east of the block show that a petroleum system is active in the area. Seismic coverage consists of multiple modern 2D surveys, which indicate large undrilled prospects, such as Tikati and Tāmure, remain in the block, and potential remains for oil and gas discoveries.

Seven submissions were received on proposed block 12TAR10.

Submissions were received from four of the ten groups consulted on the proposed block; all of which were from iwi authorities. Three further submissions were received from hapū represented by the contacted iwi authorities.

Summary of comments

The Taranaki Iwi Trust supported the introduction of a competitive block offer process *“which provides for an assessment of bidders to ensure the safe and responsible development of mineral resources in Aotearoa”*. In respect of the criteria for evaluating bids, they suggested criteria be added in relation to the environmental protection expertise and health and safety practices of the bidder, and that the description under the Community and Iwi Awareness criteria should read *“capability in and commitment to engaging with local communities including iwi (Māori tribes)”*.

The submitter also stated they have an *“expectation that there will be engagement with iwi prior to an exploration permit being issued, and therefore submit that bidders be required to demonstrate engagement with iwi in respect of the blocks they are bidding for.”*

This submitter also commented that the *“proposed 12TAR9, 12TAR10, 12TAR11, 12TAR12 and 12TAR14 offshore blocks, combined with those offshore blocks previously offered have a significant cumulative effect on the rohe’s moana.”* They have requested that an *“assessment of the cumulative effects of exploration and production activities in the Taranaki Basin should occur prior to the 12TAR9, 12TAR10, 12TAR11, 12TAR12, 12TAR13 and 12TAR14 offshore blocks being offered up for competitive tendering.”*

Ōkahu/Inuāwai Hapū opposed the block offer on the *“grounds of wāhi tapu, whakapapa and as part of our treaty interest as per the Waitangi tribunal.”*

Ngāti Tūpaia Hapū opposed the proposed block offer in South Taranaki and noted that *“As Hau Kainga - whakapapa to the area, and kaitiaki over our Wāhi Tapu we strongly object to the lack of consultation with us and more importantly the desecration of our land and water.”*

Ngāti Haua opposed oil and mineral exploration in the South Taranaki area.

Ngā Hapū o Poutama is opposed to offshore mining and drilling in its rohe, particularly in Blocks 12TAR11, 12TAR12, 12TAR13, and 12TAR14. This submitter stated that they have the right to own, control, and use their land, seas, waterways and other resources and that they intend to exercise their rights of rangātira and kaitiaki within these resources. They also noted they are open to discussion if the Crown or companies are interested in developing these Blocks.

Te Runanga o Ngāti Ruanui endorsed “*the ability to determine the most suitable operators through the competitive block offer process*” and commented that “*any evaluation should determine a company’s credentials for engaging and involving iwi in the activities they wish to undertake*”.

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating “*any of our minerals within our territory*”, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Officials’ comments

Exclusion requests

An analysis of the exclusion requests from Ōkahu/Inuāwai Hapū, Ngāti Tūpaia Hapū, Ngāti Haua, Ngā Hapū o Poutama, and the Ngāruahine Iwi Authority is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR10, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the sites located within block 12TAR10, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the Exclusive Economic Zone legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12TAR10, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that claims relating to Ngā Hapū o Poutama relating to Ngāti Tama have been settled through the Ngāti Tama Claims Settlement Act and that any outstanding claims will be dealt with in the Ngāti Maniapoto settlement.

OTS has also advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāti Haua, Ngāti Tūpaia Hapū and Ōkahu/Inuāwai Hapū are hapū of Ngāruahine. Ngāruahine is one of the claimants in Wai 796.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline, which includes proposed block 12TAR10, will be managed by the Exclusive Economic Zone (**EEZ**) legislation once enacted and implemented by Environmental Protection Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of activities undertaken in the EEZ or Extended Continental Shelf, including cumulative effects.

Under the legislation, activities classified as 'discretionary' will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that

the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

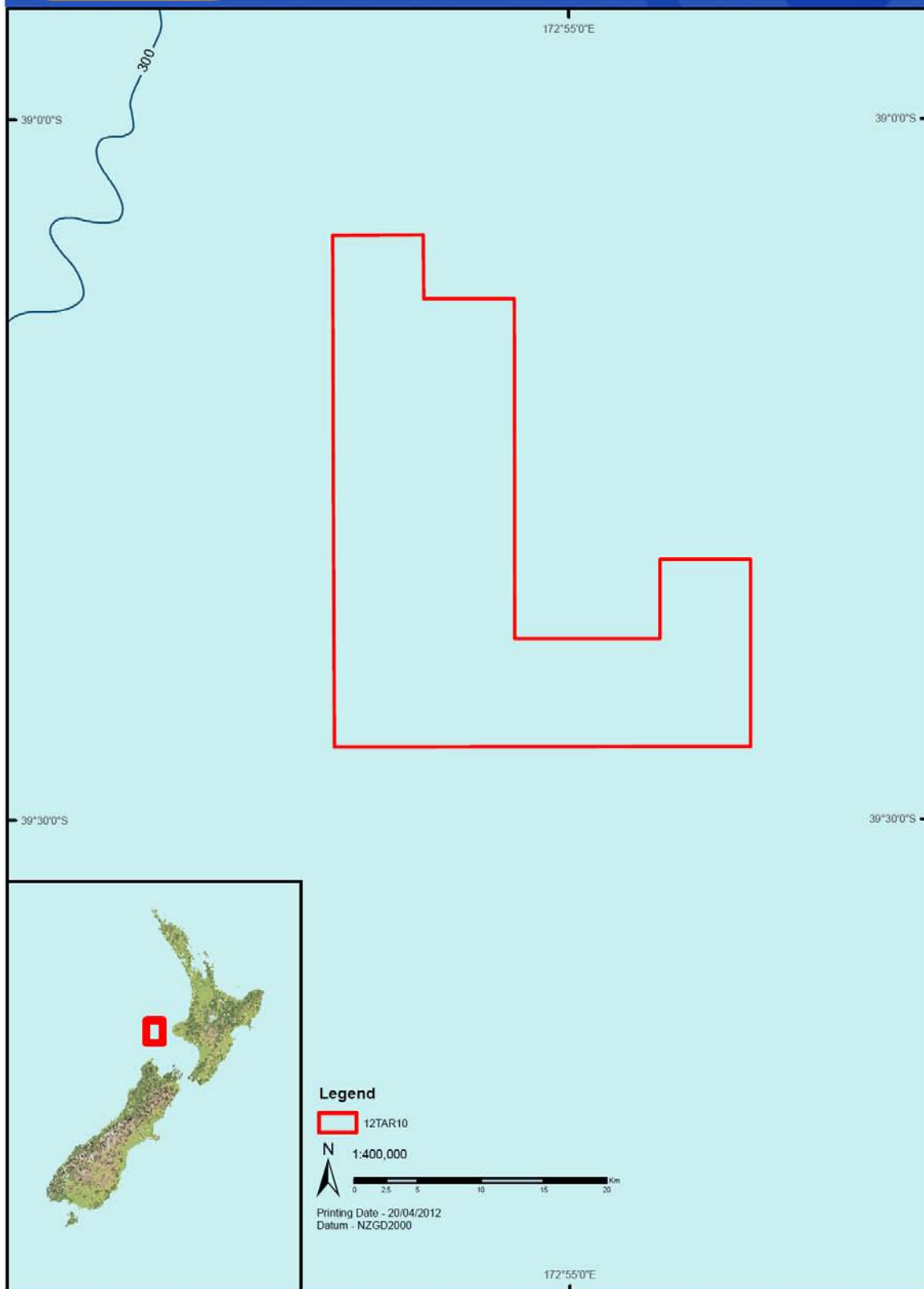
Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

In respect of comments on evaluation criteria, the evaluation of a permit application includes an assessment of the applicant's technical and financial capability to carry out the proposed work programme (according to sections 5.4.21 to 5.4.30 of the Minerals Programme for Petroleum (2005)). It is also important to note that a key proposal of the Crown Minerals Act regime review is to develop a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised during the permitting process.

Recommendations

Officials recommend that Block 12TAR10 be released as per the map below.

Block 12TAR10



Block 12TAR11

Prospectivity was previously downgraded in this block due to the results of the Hoki-1 well, drilled in 2010, which contained no oil or gas shows. Further analysis is needed to ascertain the cause of this, but some potential may remain in the acreage. The block has dense coverage of modern 2D seismic data.

Three submissions were received on proposed block 12TAR11.

Submissions were received from two of the seven groups consulted on the proposed block: both of which were from iwi authorities. A further submission was received from an iwi authority contacted regarding other proposed blocks.

Summary of comments

The Taranaki Iwi Trust supported the introduction of a competitive block offer process *“which provides for an assessment of bidders to ensure the safe and responsible development of mineral resources in Aotearoa”*. In respect of the criteria for evaluating bids, they suggested criteria be added in relation to the environmental protection expertise and health and safety practices of the bidder, and that the description under the Community and Iwi Awareness criteria should read *“capability in and commitment to engaging with local communities including iwi (Māori tribes)”*.

The submitter also stated they have an *“expectation that there will be engagement with iwi prior to an exploration permit being issued, and therefore submit that bidders be required to demonstrate engagement with iwi in respect of the blocks they are bidding for.”*

This submitter also commented that the *“proposed 12TAR9, 12TAR10, 12TAR11, 12TAR12 and 12TAR14 offshore blocks, combined with those offshore blocks previously offered have a significant cumulative effect on the rohe’s moana.”* They have requested that an *“assessment of the cumulative effects of exploration and production activities in the Taranaki Basin should occur prior to the 12TAR9, 12TAR10, 12TAR11, 12TAR12, 12TAR13 and 12TAR14 offshore blocks being offered up for competitive tendering.”*

Ngā Hapū o Poutama is opposed to offshore mining and drilling in its rohe, particularly in Blocks 12TAR11, 12TAR12, 12TAR13, and 12TAR14. This submitter stated that they have the right to own, control, and use their land, seas, waterways and other resources and that they intend to exercise their rights of rangātira and kaitiaki within these resources. They also noted they are open to discussion if the Crown or companies are interested in developing these Blocks.

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating *“any of our minerals within our territory”*, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Officials' comments

Exclusion requests

An analysis of the exclusion requests from Ngā Hapū o Poutama and the Ngāruahine Iwi Authority is outlined in Part Two of this report.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that claims relating to Ngā Hapū o Poutama relating to Ngāti Tama have been settled through the Ngāti Tama Claims Settlement Act and that any outstanding claims will be dealt with in the Ngāti Maniapoto settlement.

OTS has also advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāruahine is one of the claimants in Wai 796.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline, which includes proposed block 12TAR11, will be managed by the Exclusive Economic Zone (**EEZ**) legislation once enacted and implemented by Environmental Protection Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of activities undertaken in the EEZ or Extended Continental Shelf, including cumulative effects.

Under the legislation, activities classified as 'discretionary' will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that

the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

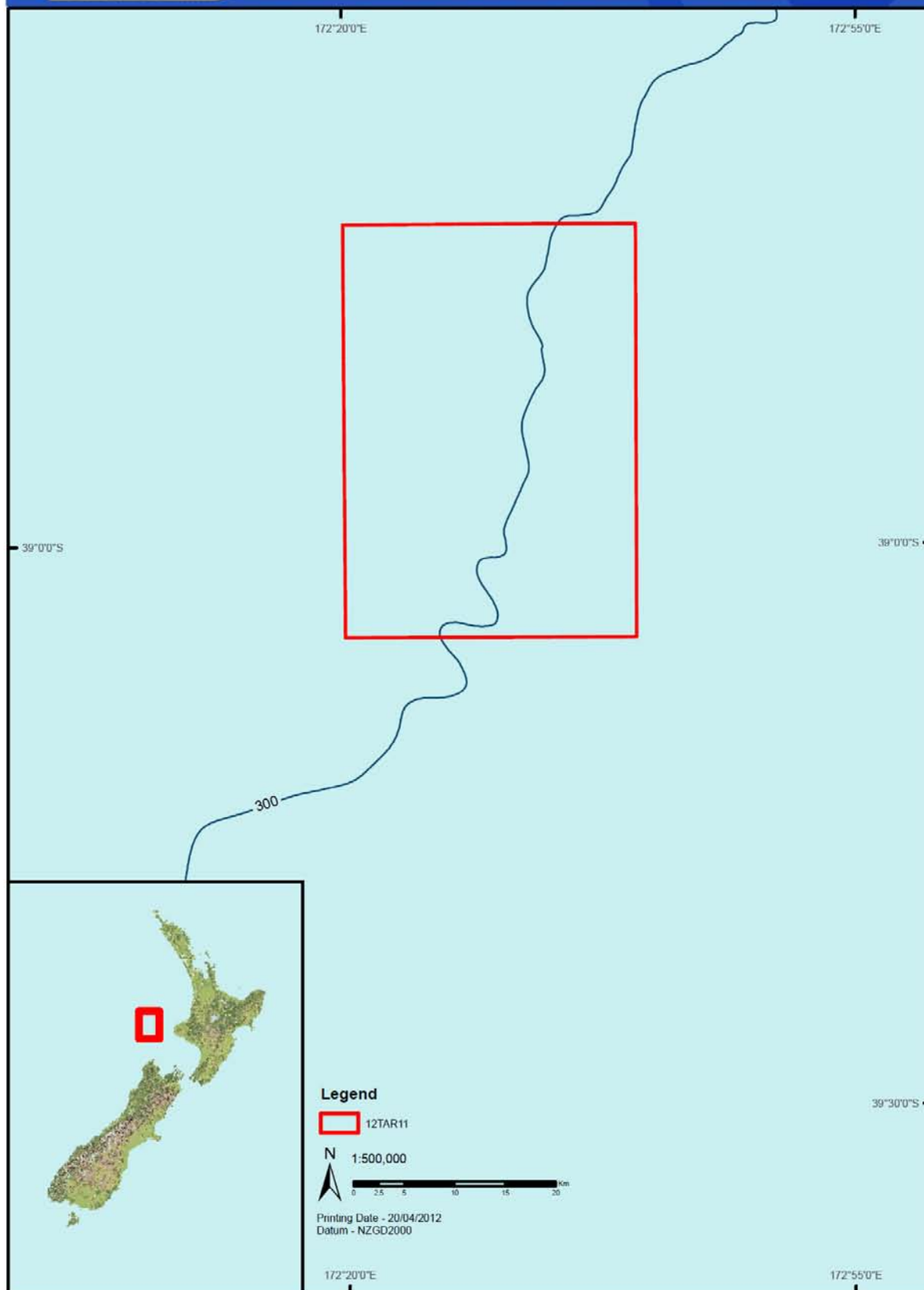
Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

Recommendations

Officials recommend that Block 12TAR11 be released as per the map below.

Block 12TAR11



Block 12TAR12

While there have been no wells drilled in this block, 12TAR12 is moderately prospective due to the close proximity of the Kora oil discovery and wells with good shows, it also borders the deepwater part of the basin being explored by Anadarko. The block has low coverage of 2D data and no 3D data.

Five submissions were received on proposed block 12TAR12.

Submissions were received from three of the seven groups consulted on the proposed block; all of which were from iwi authorities. Two further submissions were received from iwi authorities contacted regarding other proposed blocks.

Summary of comments

The Taranaki Iwi Trust supported the introduction of a competitive block offer process *“which provides for an assessment of bidders to ensure the safe and responsible development of mineral resources in Aotearoa”*. In respect of the criteria for evaluating bids, they suggested criteria be added in relation to the environmental protection expertise and health and safety practices of the bidder, and that the description under the Community and Iwi Awareness criteria should read *“capability in and commitment to engaging with local communities including iwi (Māori tribes)”*.

The submitter also stated they have an *“expectation that there will be engagement with iwi prior to an exploration permit being issued, and therefore submit that bidders be required to demonstrate engagement with iwi in respect of the blocks they are bidding for.”*

This submitter also commented that the *“proposed 12TAR9, 12TAR10, 12TAR11, 12TAR12 and 12TAR14 offshore blocks, combined with those offshore blocks previously offered have a significant cumulative effect on the rohe’s moana.”* They have requested that an *“assessment of the cumulative effects of exploration and production activities in the Taranaki Basin should occur prior to the 12TAR9, 12TAR10, 12TAR11, 12TAR12, 12TAR13 and 12TAR14 offshore blocks being offered up for competitive tendering.”*

Ngāti Te Wehi opposed offshore mining in their rohe. This submitter recommended that health, safety and environmental legislation be prioritised and that international lessons are used to inform New Zealand’s regulatory framework. They stated that consideration should be given to environmental impacts of activities associated with awarding a permit, the potential effects on marine wildlife and Iwi fishing rights and customary title claims to the sea.

They also noted that *“where sites of Māori significance are involved, for example waahi tapu, genuine attempts must be made to address the protection of those wāhi tapu and other significant sites. In order to be properly informed about sites of cultural significance, genuine and appropriate consultation must take place.”*

The Maniapoto Māori Trust Board commended the Ministry for providing the submitter with the opportunity to provide a submission on the Block Offer. However, they opposed all mining exploration or prospecting applications or activities within their rohe without written permission from the relevant Regional Management Committee. This submitter is of the

view that they should participate in tender decision-making processes to ensure that the interests of their rohe are adequately accounted for. They stated that there are “*sites of significance and wāhi tapu within the lands proposed in the block offer for 2012*”, and that consideration should be given to resource the submitter with the capacity to identify these areas for exclusion.

They also noted that Treaty of Waitangi claims of Ngāti Maniapoto are currently being heard by the Waitangi Tribunal and that Maniapoto recently entered into a Deed with the Crown regarding the co-governance and co-management for the Lower Waipā and Waikato Rivers.

Ngā Hapū o Poutama is opposed to offshore mining and drilling in its rohe, particularly in Blocks 12TAR11, 12TAR12, 12TAR13, and 12TAR14. This submitter stated that they have the right to own, control, and use their land, seas, waterways and other resources and that they intend to exercise their rights of rangātira and kaitiaki within these resources. They also noted they are open to discussion if the Crown or companies are interested in developing these Blocks.

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating “*any of our minerals within our territory*”, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Officials’ comments

Exclusion requests

An analysis of the exclusion requests from Ngāti Te Wehi, the Maniapoto Māori Trust Board, Ngā Hapū o Poutama and the Ngāruahine Iwi Authority is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR12, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the sites located within block 12TAR12, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage

and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the EEZ legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12TAR12, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that claims relating to Ngā Hapū o Poutama relating to Ngāti Tama have been settled through the Ngāti Tama Claims Settlement Act and that any outstanding claims will be dealt with in the Ngāti Maniapoto settlement.

OTS has also advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāruahine is one of the claimants in Wai 796.

OTS has also advised that the Crown is either in active negotiations with, or will enter negotiations with Maniapoto and that Ngāti Te Wehi are not currently in negotiations but are in the process of developing a mandate strategy.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline, which includes proposed block 12TAR12, will be managed by the Exclusive Economic Zone (**EEZ**) legislation once enacted and implemented by Environmental Protection Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of activities undertaken in the EEZ or Extended Continental Shelf, including cumulative effects.

Under the legislation, activities classified as 'discretionary' will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

One submitter raised concerns about the need for more stringent health, safety and environmental controls. The government has been and is undertaking a number of measures this year to strengthen the regulatory environment. These are detailed in Annex 6.

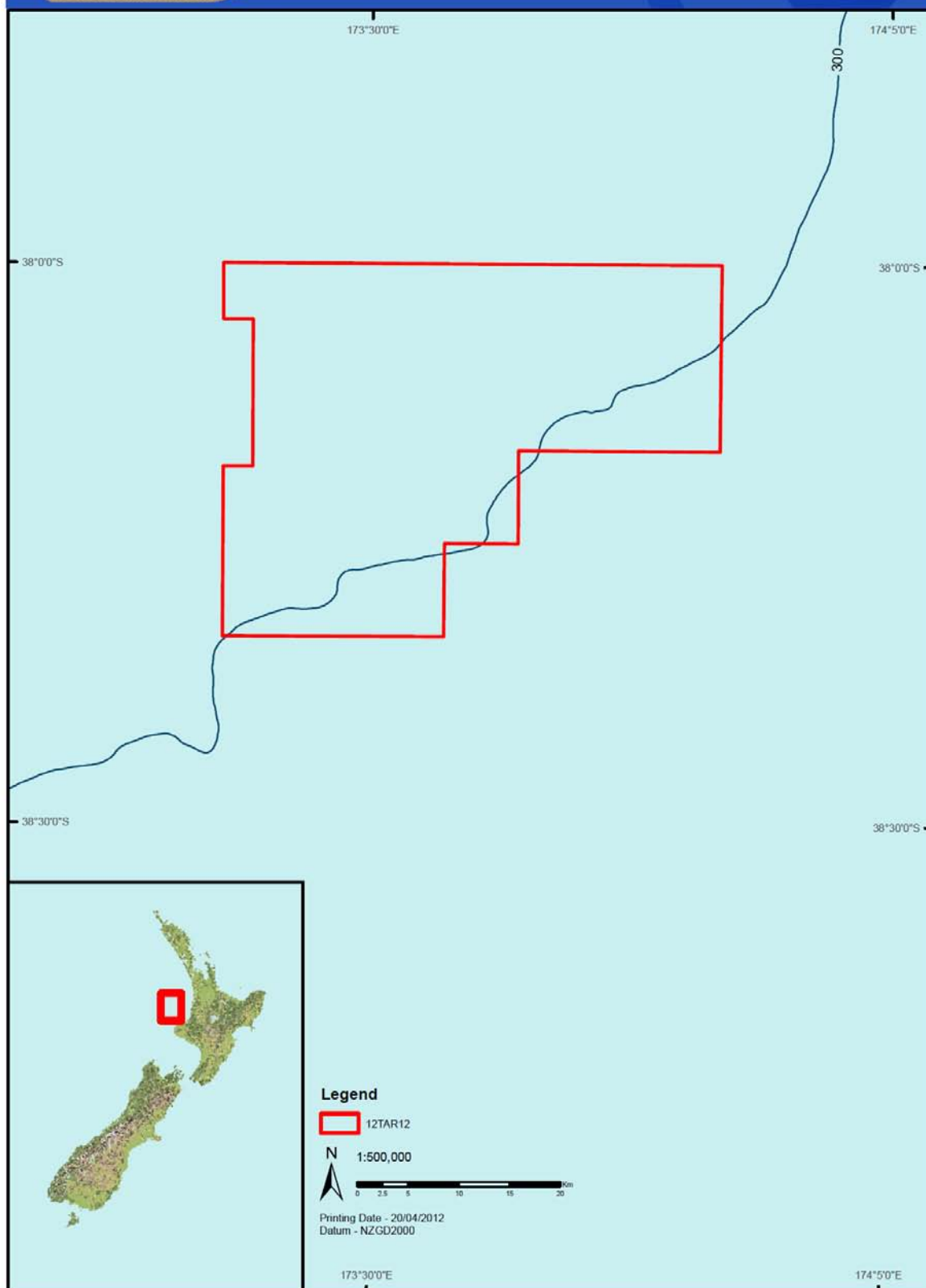
We believe these changes will provide a robust health, safety and environmental framework governing activity through the full life cycle of petroleum development activity. The initiatives also ensure better coordination and collaboration between those government agencies involved in the sector across the life of a petroleum development operation.

In respect of comments on evaluation criteria, the evaluation of a permit application includes an assessment of the applicant's technical and financial capability to carry out the proposed work programme (according to sections 5.4.21 to 5.4.30 of the Minerals Programme for Petroleum (2005)). It is also important to note that a key proposal of the Crown Minerals Act regime review is to develop a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised during the permitting process.

Recommendations

Officials recommend that Block 12TAR12 be released as per the map below.

Block 12TAR12



Block 12TAR13

12TAR13 is located 100km northwest of the Tui and Māui fields, and borders the deep-water portion of permit 38451. The area is prospective as other parts of the basin have demonstrated a working petroleum system. Several wells, some with good shows, have been drilled in the surrounding area, but none in the block boundary. Undrilled prospects are present in the block. This area has good coverage of modern 2D data but no 3D data.

Five submissions were received on proposed block 12TAR13.

Submissions were received from three of the nine groups consulted on the proposed block; all of which were from iwi authorities. Two further submissions were received from iwi authorities contacted regarding other proposed blocks.

Summary of comments

The Taranaki Iwi Trust supported the introduction of a competitive block offer process “*which provides for an assessment of bidders to ensure the safe and responsible development of mineral resources in Aotearoa*”. In respect of the criteria for evaluating bids, they suggested criteria be added in relation to the environmental protection expertise and health and safety practices of the bidder, and that the description under the Community and Iwi Awareness criteria should read “*capability in and commitment to engaging with local communities including iwi (Māori tribes)*”.

The submitter also stated they have an “*expectation that there will be engagement with iwi prior to an exploration permit being issued, and therefore submit that bidders be required to demonstrate engagement with iwi in respect of the blocks they are bidding for.*”

This submitter also commented that the “*proposed 12TAR9, 12TAR10, 12TAR11, 12TAR12 and 12TAR14 offshore blocks, combined with those offshore blocks previously offered have a significant cumulative effect on the rohe’s moana.*” They have requested that an “*assessment of the cumulative effects of exploration and production activities in the Taranaki Basin should occur prior to the 12TAR9, 12TAR10, 12TAR11, 12TAR12, 12TAR13 and 12TAR14 offshore blocks being offered up for competitive tendering.*”

Ngāti Te Wehi opposed offshore mining in their rohe. This submitter recommended that health, safety and environmental legislation be prioritised and that international lessons are used to inform New Zealand’s regulatory framework. They stated that consideration should be given to environmental impacts of activities associated with awarding a permit, the potential effects on marine wildlife and iwi fishing rights and customary title claims to the sea.

They also noted that “*where sites of Māori significance are involved, for example waahi tapu, genuine attempts must be made to address the protection of those wāhi tapu and other significant sites. In order to be properly informed about sites of cultural significance, genuine and appropriate consultation must take place.*”

The Maniapoto Māori Trust Board commended the Ministry for providing the submitter with the opportunity to provide a submission on the Block Offer. However, they opposed all

mining exploration or prospecting applications or activities within their rohe without written permission from the relevant Regional Management Committee.

This submitter is of the view that they should participate in tender decision-making processes to ensure that the interests of their rohe are adequately accounted for. They stated that there are “*sites of significance and wāhi tapu within the lands proposed in the block offer for 2012*”, and that consideration should be given to resource the submitter with the capacity to identify these areas for exclusion.

They also noted that Treaty of Waitangi claims of Ngāti Maniapoto are currently being heard by the Waitangi Tribunal and that Maniapoto recently entered into a Deed with the Crown regarding the co-governance and co-management for the Lower Waipā and Waikato Rivers.

Ngā Hapū o Poutama is opposed to offshore mining and drilling in its rohe, particularly in Blocks 12TAR11, 12TAR12, 12TAR13, and 12TAR14. This submitter stated that they have the right to own, control, and use their land, seas, waterways and other resources and that they intend to exercise their rights of rangātira and kaitiaki within these resources. They also noted they are open to discussion if the Crown or companies are interested in developing these Blocks.

The Ngāruahine Iwi Authority stated that they prohibit the Ministry from expropriating “*any of our minerals within our territory*”, that they do not recognise or accept petroleum being the property of the Crown, and that all Taranaki Blocks must be excluded from the 2012 Block Offers.

Officials’ comments

Exclusion requests

An analysis of the exclusion requests from Ngāti Te Wehi, the Maniapoto Māori Trust Board, Ngā Hapū o Poutama and the Ngāruahine Iwi Authority is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR13, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the sites located within block 12TAR13, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the Exclusive Economic Zone legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12TAR13, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that claims relating to Ngā Hapū o Poutama relating to Ngāti Tama have been settled through the Ngāti Tama Claims Settlement Act and that any outstanding claims will be dealt with in the Ngāti Maniapoto settlement.

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OTS has also advised that the Crown is either in active negotiations with, or will enter negotiations with Maniapoto and that Ngāti Te Wehi are not currently in negotiations but are in the process of developing a mandate strategy.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline, which includes proposed block 12TAR13, will be managed by the Exclusive Economic Zone (**EEZ**) legislation once enacted and implemented by Environmental Protection Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of activities undertaken in the EEZ or Extended Continental Shelf, including cumulative effects.

Under the legislation, activities classified as 'discretionary' will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

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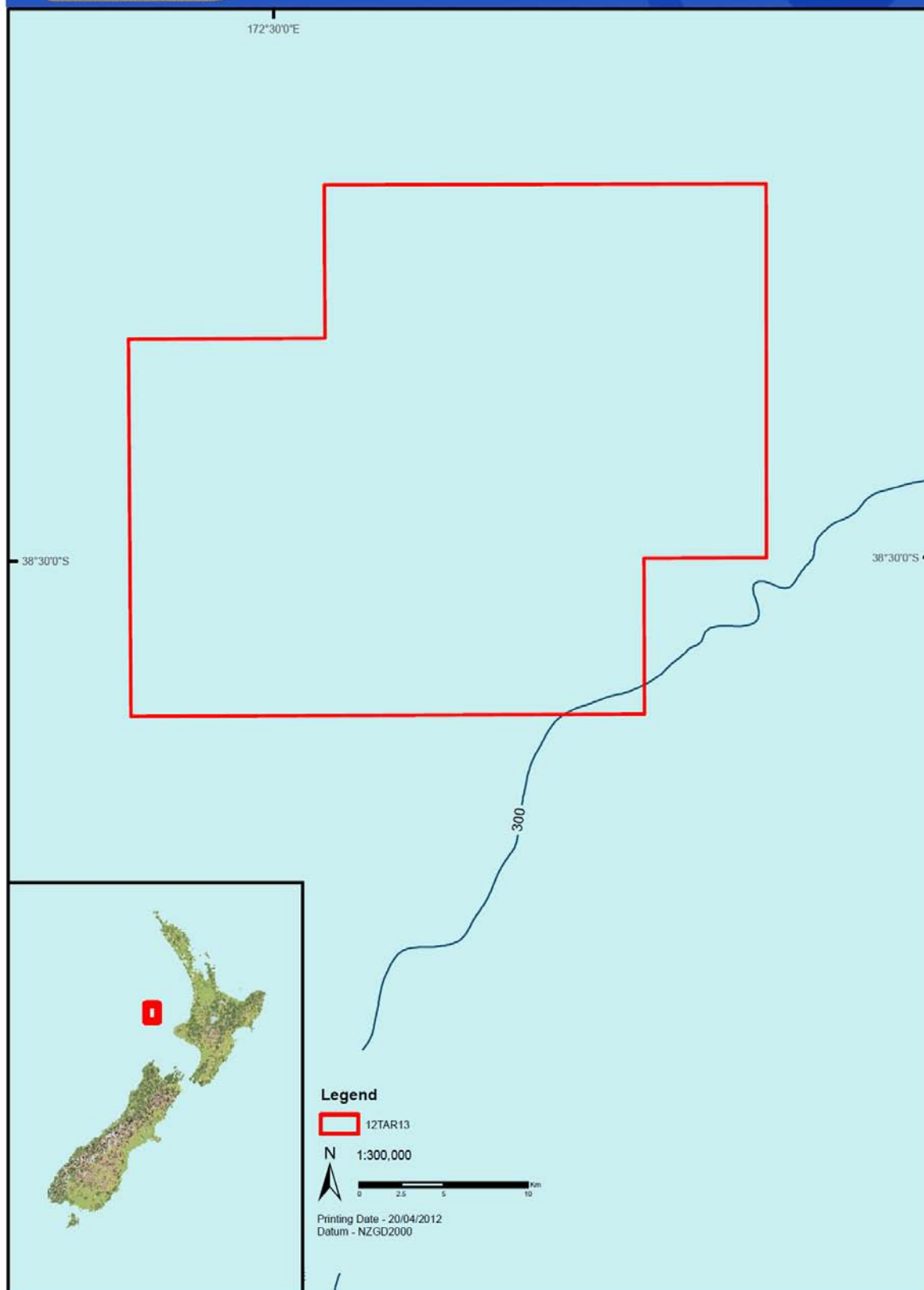
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Recommendations

Officials recommend that Block 12TAR13 be released as per the map below.

Block 12TAR13



Block 12TAR14

Block 12TAR14 is highly prospective. The acreage contains the Kora sub-commercial oil discovery and several wells have been drilled in the block, many of which have good shows. This area has excellent coverage of 2D data and partial coverage by 3D data.

Five submissions were received on proposed block 12TAR14.

Submissions were received from three of the nine groups consulted on the proposed block; all of which were from iwi authorities. Two further submissions were received from iwi authorities contacted regarding other proposed blocks.

Summary of comments

The Taranaki Iwi Trust supported the introduction of a competitive block offer process “*which provides for an assessment of bidders to ensure the safe and responsible development of mineral resources in Aotearoa*”. In respect of the criteria for evaluating bids, they suggested criteria be added in relation to the environmental protection expertise and health and safety practices of the bidder, and that the description under the Community and Iwi Awareness criteria should read “*capability in and commitment to engaging with local communities including iwi (Māori tribes)*”.

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The Maniapoto Māori Trust Board commended the Ministry for providing the submitter with the opportunity to provide a submission on the Block Offer. However, they opposed all mining exploration or prospecting applications or activities within their rohe without written permission from the relevant Regional Management Committee.

This submitter is of the view that they should participate in tender decision-making processes to ensure that the interests of their rohe are adequately accounted for. They stated that there are “*sites of significance and wāhi tapu within the lands proposed in the block offer for 2012*”, and that consideration should be given to resource the submitter with the capacity to identify these areas for exclusion.

They also noted that Treaty of Waitangi claims of Ngāti Maniapoto are currently being heard by the Waitangi Tribunal and that Maniapoto recently entered into a Deed with the Crown regarding the co-governance and co-management for the Lower Waipā and Waikato Rivers.

Ngā Hapū o Poutama is opposed to offshore mining and drilling in its rohe, particularly in Blocks 12TAR11, 12TAR12, 12TAR13, and 12TAR14. This submitter stated that they have the right to own, control, and use their land, seas, waterways and other resources and that they intend to exercise their rights of rangātira and kaitiaki within these resources. They also noted they are open to discussion if the Crown or companies are interested in developing these Blocks.

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Officials’ comments

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An analysis of the exclusion requests from Ngāti Te Wehi, the Maniapoto Māori Trust Board, Ngā Hapū o Poutama and the Ngāruahine Iwi Authority is outlined in Part Two of this report.

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Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12TAR14, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the sites located within block 12TAR14, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage

and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the EEZ legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12TAR14, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

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OTS has also advised that there are a number of iwi where the Crown is either in active negotiations with, or will enter negotiations, in the Taranaki region. This includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Ngāruahine is one of the claimants in Wai 796.

OTS has also advised that the Crown is either in active negotiations with, or will enter negotiations with Maniapoto and that Ngāti Te Wehi are not currently in negotiations but are in the process of developing a mandate strategy.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline, which includes proposed block 12TAR14, will be managed by the Exclusive Economic Zone (**EEZ**) legislation once enacted and implemented by Environmental Protection Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of activities undertaken in the EEZ or Extended Continental Shelf, including cumulative effects.

Under the legislation, activities classified as 'discretionary' will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

One submitter raised concerns about the need for more stringent health, safety and environmental controls. The government has been and is undertaking a number of measures this year to strengthen the regulatory environment. These are detailed in Annex 6.

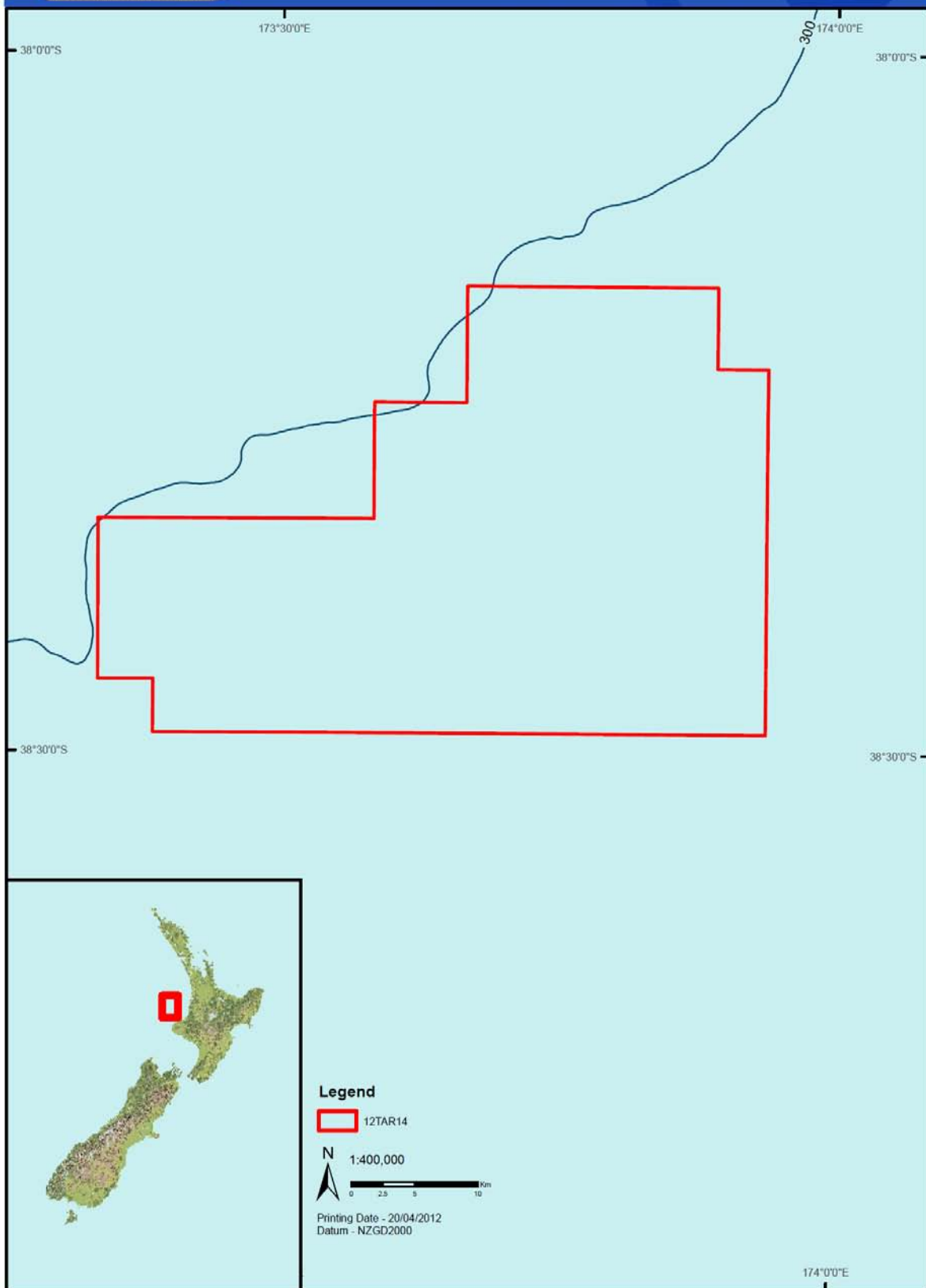
We believe these changes will provide a robust health, safety and environmental framework governing activity through the full life cycle of petroleum development activity. The initiatives also ensure better coordination and collaboration between those government agencies involved in the sector across the life of a petroleum development operation.

In respect of comments on evaluation criteria, the evaluation of a permit application includes an assessment of the applicant's technical and financial capability to carry out the proposed work programme (according to sections 5.4.21 to 5.4.30 of the Minerals Programme for Petroleum (2005)). It is also important to note that a key proposal of the Crown Minerals Act regime review is to develop a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised during the permitting process.

Recommendations

Officials recommend that Block 12TAR14 be released as per the map below.

Block 12TAR14



Block 12EC2

Block 12EC2 is highly prospective. Over 300 oil and gas seeps have been documented in the onshore portion of the East Coast Basin. The block contains the Tītīhaoā dry gas accumulation and strong high pressure gas shows have been encountered in wells in the centre and south of the block. This block is well covered by modern 2D seismic in the shallow water area, but sparse coverage exists in the deep-water eastern areas.

Six submissions were received on proposed block 12EC2.

Submissions were received from five of the thirteen groups consulted on the proposed block; three iwi authorities and two councils. A further submission was received from an iwi authority contacted regarding other proposed blocks.

Summary of comments

The Masterton District Council stated they were “*supportive on the concept of permitting oil and gas exploration off the coast of the Wairarapa and for the resources of our region to be identified*”. This submitter also commented that input and co-operation from the Council, and Tararua District Council, will be invaluable in the event of exploration occurring in the region.

The Tararua District Council support the Block Offer overall and commented that the sharing of information from the survey work on the New Zealand Petroleum & Minerals website (GOLD) was very useful. The submitter also commented that aligning future block offers more closely to Regional Council and territorial authority boundaries would make it easier for applicants throughout any resource consent application stages.

Rangitāne o Tāmaki nui ā Rua opposed onshore and offshore mining in its rohe and has requested that the rohe be excluded from all block offers.

The submitter has raised concerns about:

- The effects of the project on tikanga, taonga, mauri and kaitiakitanga;
- Permanent adverse effects of rigs and construction activities on the spiritual and cultural landscape through the desecration of potentially unknown heritage sites and irreversible changes to the environment;
- The excessive movement and use of natural and physical resources such as land and water;
- Displacement of significant indigenous flora and fauna; and
- The possibility of desecration to the marine floor, aquatic life and irreversible changes to the quality of water.

The submitter has recommended that health, safety and environmental legislation be prioritised and that international lessons are used to inform New Zealand’s regulatory framework. They also submitted that consultation should be more than just notification about an application, and should be proportionate to the extent and likely effect of a particular proposal.

They stated that consideration should be given to environmental impacts of activities, the potential effects on marine wildlife and iwi fishing rights and customary title claims to the sea. They also noted that *“where sites of Māori significance are involved, for example wāhi tapu, genuine attempts must be made to address the protection of those wāhi tapu and other significant sites. In order to be properly informed about sites of cultural significance, genuine and appropriate consultation must take place.”*

Rangitāne o Wairarapa is opposed to onshore and offshore mining in its rohe. They stated that *“as kaitiaki we oppose any activity that holds potential harm to the environment and demand further dialogue with the Crown on this matter”*. They also stated that the Crown must acknowledge Treaty Interests in petroleum and the iwi authority’s desire to discuss potential future impacts from oil extraction.

The submitter requested that iwi are included in the selection process of Block Offers and that they monitor performance and compliance of successful operators alongside the Ministry.

This submitter noted they have a number of interests in the marine area, including *“customary fishing rights, commercial fishing rights, recreational and resource management responsibilities as kaitiaki”*. They have demanded that independent research on the risks of petroleum exploration and that *“the Crown adopts the highest international safety and transparent standards for Petroleum exploration and/or extraction”*.

The submitter has also requested that the *“Ministry assists the education of our iwi on the oil industry and it’s processes/regulations”* and that *“the Ministry facilitates an exchange with other indigenous peoples to learn more about the industry from a cultural perspective.”*

Ngāti Kahungunu Iwi seeks assurance that the natural environment, a taonga, will be protected. In particular, the submission notes that the coastline near proposed blocks 12PEG1, 12PEG2 and 12EC2 is a habitat for a number of the iwi’s taonga (culturally significant kaimoana species) and they insist that exploration on these blocks avoid undue adverse effects and risks on the environment and relevant fisheries.

The submitter commented on the importance of striking a balance with respect to the fishing industry and the possible impacts on this (both positive and negative) by the petroleum industry.

The submitter also states that the area contains a significant wāhi tapu site – *“Te ara tawhito o Kupe (the ancient path of Kupe) the Hikurangi trench, including the Hikurangi margins, which brings in the wake of its current a great source of nourishment for our kaimoana”* – which needs to be protected.

The submitter insists that we only accept the best industrial practice for petroleum exploration and has suggested a contingency fund be established and made directly and readily available to tangata whenua in the event that *“something goes wrong.”* A precautionary approach should be taken.

This submitter has also outlined that early engagement with iwi and hapū is essential. They ask that iwi/hapū relationships are specifically mentioned as assessment criteria and that iwi and hapū are given *“the opportunity to comment on the capability of companies to build*

iwi/hapū relationships and build awareness of the project.” They also insist that “those companies that have developed good relationships with indigenous peoples and have impeccable environmental practices should be favoured”.

They insist on being fully informed at all stages of the block offer so they can make informed decisions and work with petroleum companies to influence their decisions.

The iwi authority also commented on their indigenous rights, interests and the Treaty of Waitangi, which includes a Waitangi Tribunal claim (WAI852) against the Crown to which they seek urgent resolution.

Te Runanga o Ngai Tahu does not support the tendering of block 12EC2. They stated that the area is associated with *“internationally significant habitats for a range of marine creatures, some protected under law, some endangered with extinction and many vulnerable to disturbance by human activity”*. The submitter also commented that *“any interference with the areas geomorphology or disturbance or contamination of the ocean currents or sediment flow may have adverse effects on the productivity of the area. This would in turn have effects on the marine habitats and range of marine creatures in the area.”*

They commented that they expect the Crown to ensure that there is early and good faith consultation with those who hold manawhenua in each of the areas even when a company is undertaking minimum impact exploration. They stated that the Crown should encourage successful companies to engage early and respectfully where block offers are in relation to Māori land (or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991) or require consents under the Resource Management Act 1991.

They further submitted where the block offers are in relation to Māori land or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991 there is an expectation that the companies who are successful in securing rights within a block will engage early and respectfully with those landowners. Where landowners are opposed to these activities occurring upon their land the Crown should encourage the relevant companies and the landowners to reach a facilitated outcome.

Officials’ comments

Exclusion requests

An analysis of the exclusion requests from Rangitāne o Tāmaki nui ā Rua, Rangitāne o Wairarapa, and Te Runanga o Ngai Tahu is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of

defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12EC2, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the sites located within block 12EC2, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the Exclusive Economic Zone legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12EC2, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

Officials note that Ngāti Kahungunu is one of the claimants in Wai 796, and that they are seeking urgent resolution to a Waitangi Tribunal claim (Wai 852) against the Crown.

OTS has advised that Ngai Tahu's Treaty claim has now been settled. Officials have been advised that there are a number of Treaty settlement negotiations underway (or are about to commence) with iwi in relation to the lower East Coast of the North Island including Rangitāne o Tāmaki nui ā Rua and Rangitāne o Wairarapa.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

Several submitters raised concerns about the effects of petroleum operations on the marine environment. The environmental effects of petroleum exploration activities beyond 12

nautical miles from the coastline, which includes proposed block 12EC2², will be managed by the Exclusive Economic Zone (**EEZ**) legislation once enacted and implemented by Environmental Protection Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of all activities undertaken in the EEZ or Extended Continental Shelf, the protection of rare and vulnerable ecosystems and the habitats of threatened species and the efficient use and development of natural resources.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the legislation, activities classified as 'discretionary' will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

One submitter raised concerns about the need for more stringent health, safety and environmental controls. The government has been and is undertaking a number of measures this year to strengthen the regulatory environment. These are detailed in Annex 6.

We believe these changes will provide a robust health, safety and environmental framework governing activity through the full life cycle of petroleum development activity. The initiatives also ensure better coordination and collaboration between those government agencies involved in the sector across the life of a petroleum development operation.

Recommendations

Officials recommend that Block 12EC2 be released as per the map below.

² As proposed Block 12EC2 also extends within 12 nautical miles, the Resource Management Act requirements also apply to activity within the block.



Block 12PEG1

Recent seismic data shows a deep, thick sequence of sedimentary rock which indicates the block is prospective for hydrocarbons, in particular gas. Gas seeps have also been documented in the block. The block has a wide grid of modern 2D seismic and swath bathymetry. No wells have been drilled in the basin.

Submissions were received from five of the fifteen groups consulted on proposed block 12PEG1; all of which were from iwi authorities.

Summary of comments

Rangitāne o Wairarapa is opposed to onshore and offshore mining in its rohe. They stated that *“as kaitiaki we oppose any activity that holds potential harm to the environment and demand further dialogue with the Crown on this matter”*. They also stated that the Crown must acknowledge Treaty Interests in petroleum and the iwi authority’s desire to discuss potential future impacts from oil extraction.

The submitter requested that iwi are included in the selection process of Block Offers and that they monitor performance and compliance of successful operators alongside the Ministry.

This submitter noted they have a number of interests in the marine area, including *“customary fishing rights, commercial fishing rights, recreational and resource management responsibilities as kaitiaki”*. They have demanded that independent research on the risks of petroleum exploration and that *“the Crown adopts the highest international safety and transparent standards for Petroleum exploration and/or extraction”*.

The submitter has also requested that the *“Ministry assists the education of our iwi on the oil industry and it’s processes/regulations”* and that *“the Ministry facilitates an exchange with other indigenous peoples to learn more about the industry from a cultural perspective.”*

Te Runanga o Ngai Tahu does not support the tendering of block 12PEG1. They stated that the area is associated with *“internationally significant habitats for a range of marine creatures, some protected under law, some endangered with extinction and many vulnerable to disturbance by human activity”*. The submitter also commented that *“any interference with the areas geomorphology or disturbance or contamination of the ocean currents or sediment flow may have adverse effects on the productivity of the area. This would in turn have effects on the marine habitats and range of marine creatures in the area.”*

They commented that they expect the Crown to ensure that there is early and good faith consultation with those who hold manawhenua in each of the areas even when a company is undertaking minimum impact exploration. They stated that the Crown should encourage successful companies to engage early and respectfully where block offers are in relation to Māori land (or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991) or require consents under the Resource Management Act 1991.

They further submitted where the block offers are in relation to Māori land or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991 there is an expectation that the companies who are successful in securing rights within a block will

engage early and respectfully with those landowners. Where landowners are opposed to these activities occurring upon their land the Crown should encourage the relevant companies and the landowners to reach a facilitated outcome.

Te Ātiawa ki te Upoko o te Ika a Māui Pōtiki Trust opposes the inclusion of the 12PEG1 and 12PEG2 in the proposed Block Offer. They raised concerns relating to fisheries matters, seismic risk, wave depth and water height. This submission has been endorsed by two iwi trusts.

The submitter has raised concerns about the impact on the commercial hoki fish stocks, as well as the *“highly significant paua and rock lobster fisheries”* in the area. The submission has commented that *“to put these sustainably managed stocks at risk for relatively short term gain makes little sense.”*

The submission commented that these blocks stand astride the subduction zone and that a *“major seismic event is likely to cause massive failures of oil wells and the attendant damage to the fishery and the coastlines.”* The submission also states that *“these are risks that are not easily mitigated as technology in this sort of environment with this depth of water and this level of seismicity is little known anywhere in the world”*.

The submitter also notes that as these blocks are in deep water, and the area is known for extreme weather conditions, the environmental risk from any oil exploration in these blocks is heightened.

It is the submitter’s view that *“these factors make the risk for oil exploration in these two blocks, which are orders of magnitude higher than the Taranaki Basin, so high that the environmental impacts of any disaster would by far outweigh any benefit derived from royalties and job opportunities.”*

Ngāti Kahungunu Iwi seeks assurance that the natural environment, a taonga, will be protected. In particular, the submission notes that the coastline near proposed blocks 12PEG1, 12PEG2 and 12EC2 is a habitat for a number of the iwi’s taonga (culturally significant kaimoana species) and they insist that exploration on these blocks avoid undue adverse effects and risks on the environment and relevant fisheries.

The submitter commented on the importance of striking a balance with respect to the fishing industry and the possible impacts on this (both positive and negative) by the petroleum industry.

The submitter also states that the area contains a significant wāhi tapu site – *“Te ara tawhito o Kupe (the ancient path of Kupe) the Hikurangi trench, including the Hikurangi margins, which brings in the wake of its current a great source of nourishment for our kaimoana”* – which needs to be protected.

The submitter insists that we only accept the best industrial practice for petroleum exploration and has suggested a contingency fund be established and made directly and readily available to tangata whenua in the event that *“something goes wrong.”* A precautionary approach should be taken.

This submitter has also outlined that early engagement with iwi and hapū is essential. They ask that iwi/hapū relationships are specifically mentioned as assessment criteria and that iwi and hapū are given *“the opportunity to comment on the capability of companies to build iwi/hapū relationships and build awareness of the project.”* They also insist that *“those companies that have developed good relationships with indigenous peoples and have impeccable environmental practices should be favoured”*.

They insist on being fully informed at all stages of the block offer so they can make informed decisions and work with petroleum companies to influence their decisions.

The iwi authority also commented on their indigenous rights, interests and the Treaty of Waitangi, which includes a Waitangi Tribunal claim (WAI852) against the Crown to which they seek urgent resolution.

Ngāti Rārua Iwi Trust opposed mining outright.

Officials’ comments

Exclusion requests

An analysis of the exclusion requests from Rangitāne o Wairarapa, Te Runanga o Ngai Tahu, and Te Ātiawa ki te Upoko o te Ika a Māui Pōtiki Trust is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12PEG1, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the sites located within block 12PEG1, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best

stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the Exclusive Economic Zone legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12PEG1, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

Officials note that Ngāti Kahungunu is one of the claimants in Wai 796, and that they are seeking urgent resolution to a Waitangi Tribunal claim (Wai 852) against the Crown.

OTS has advised that Ngai Tahu's Treaty claim has now been settled and that there has been a settlement in relation to Te Ātiawa in the Port Nicholson Block with the Taranaki whanui. Officials have been advised that there are a number of Treaty settlement negotiations underway (or are about to commence) with iwi in relation to the lower East Coast of the North Island including Rangitāne o Wairarapa.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

Several submitters raised concerns about the effects of petroleum operations on the marine environment. The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline, which includes proposed block 12PEG1, will be managed by the Exclusive Economic Zone (**EEZ**) legislation once enacted and implemented by Environmental Protection Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of all activities undertaken in the EEZ or Extended Continental Shelf, the protection of rare and vulnerable ecosystems and the habitats of threatened species and the efficient use and development of natural resources.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the legislation, activities classified as 'discretionary' will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

One submitter raised concerns about the need for more stringent health, safety and environmental controls. The government has been and is undertaking a number of measures this year to strengthen the regulatory environment. These are detailed in Annex 6.

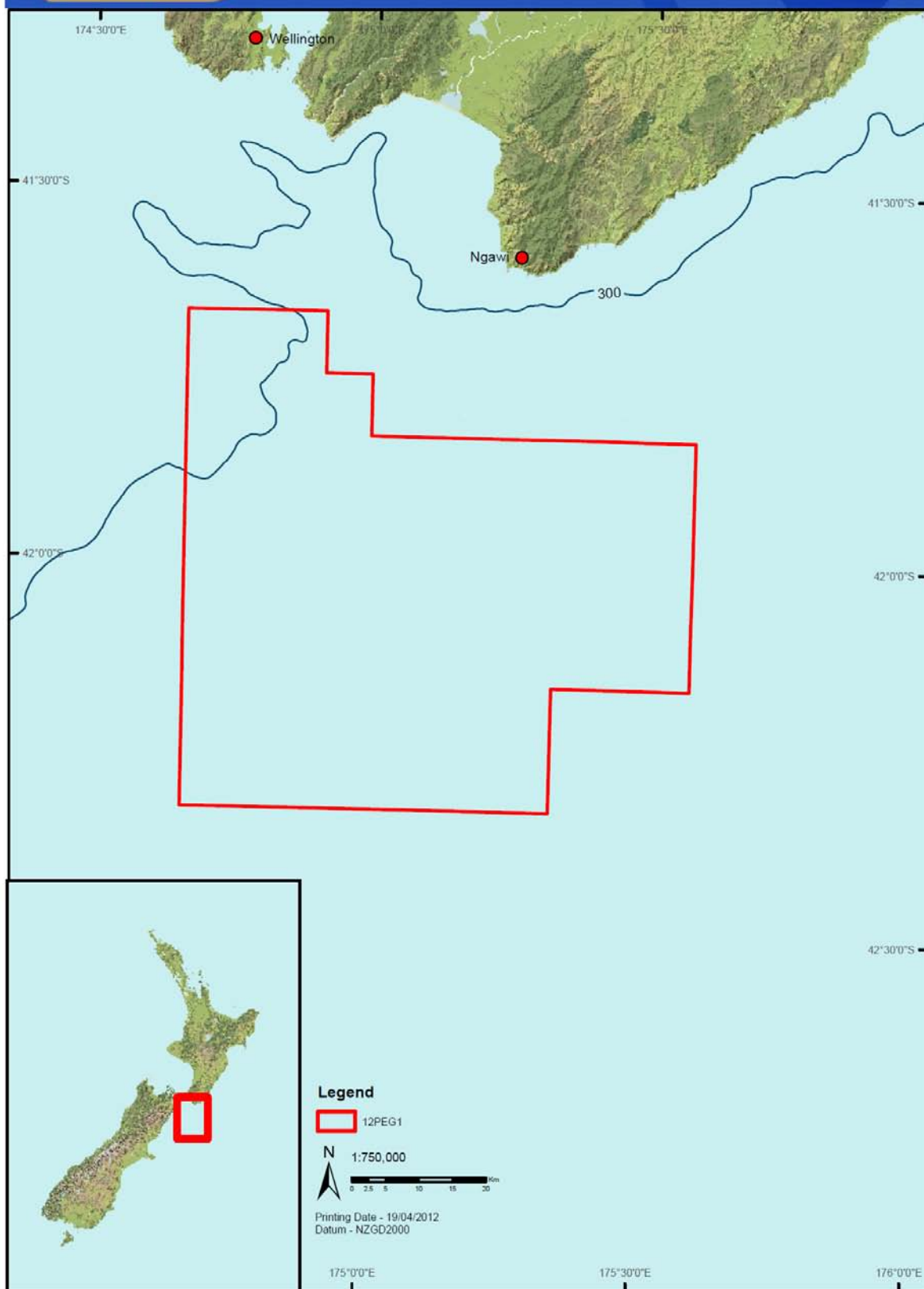
We believe these changes will provide a robust health, safety and environmental framework governing activity through the full life cycle of petroleum development activity. The initiatives also ensure better coordination and collaboration between those government agencies involved in the sector across the life of a petroleum development operation.

Risks associated with earthquake, wave and water depth considerations are mitigated through appropriate design and procedure. These considerations are incorporated into the "safety case" submitted to Department of Labour as part of the work programme approval process. The safety case assesses all technical risk and proposes mitigation solutions.

Recommendations

Officials recommend that Block 12PEG1 be released as per the map below.

Block 12PEG1



Block 12PEG2

Recent seismic data shows a deep, thick sequence of sedimentary rock which indicates the block is prospective for hydrocarbons, in particular gas. Gas seeps have also been documented in the block. The area has a wide grid of modern 2D seismic and swath bathymetry. No wells have been drilled in the basin.

Five submissions were received on proposed block 12PEG2.

Submissions were received from four of the twelve groups consulted on the proposed block; all of which were from iwi authorities. A further submission was received from an iwi authority contacted about other proposed blocks.

Summary of comments

Rangitāne o Wairarapa is opposed to onshore and offshore mining in its rohe. They stated that *“as kaitiaki we oppose any activity that holds potential harm to the environment and demand further dialogue with the Crown on this matter”*. They also stated that the Crown must acknowledge Treaty Interests in petroleum and the iwi authority’s desire to discuss potential future impacts from oil extraction.

The submitter requested that iwi are included in the selection process of Block Offers and that they monitor performance and compliance of successful operators alongside the Ministry.

This submitter noted they have a number of interests in the marine area, including *“customary fishing rights, commercial fishing rights, recreational and resource management responsibilities as kaitiaki”*. They have demanded that independent research on the risks of petroleum exploration and that *“the Crown adopts the highest international safety and transparent standards for Petroleum exploration and/or extraction”*.

The submitter has also requested that the *“Ministry assists the education of our iwi on the oil industry and it’s processes/regulations”* and that *“the Ministry facilitates an exchange with other indigenous peoples to learn more about the industry from a cultural perspective.”*

Te Runanga o Ngai Tahu does not support the tendering of block 12PEG2. They stated that the area is associated with *“internationally significant habitats for a range of marine creatures, some protected under law, some endangered with extinction and many vulnerable to disturbance by human activity”*. The submitter also commented that *“any interference with the areas geomorphology or disturbance or contamination of the ocean currents or sediment flow may have adverse effects on the productivity of the area. This would in turn have effects on the marine habitats and range of marine creatures in the area.”*

They commented that they expect the Crown to ensure that there is early and good faith consultation with those who hold manawhenua in each of the areas even when a company is undertaking minimum impact exploration. They stated that the Crown should encourage successful companies to engage early and respectfully where block offers are in relation to Māori land (or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991) or require consents under the Resource Management Act 1991.

They further submitted where the block offers are in relation to Māori land or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991 there is an expectation that the companies who are successful in securing rights within a block will engage early and respectfully with those landowners. Where landowners are opposed to these activities occurring upon their land the Crown should encourage the relevant companies and the landowners to reach a facilitated outcome.

Te Ātiawa ki te Upoko o te Ika a Māui Pōtiki Trust opposes the inclusion of the 12PEG1 and 12PEG2 in the proposed Block Offer. They raised concerns relating to fisheries matters, seismic risk, wave depth and water height. This submission has been endorsed by two iwi trusts.

The submitter has raised concerns about the impact on the commercial hoki fish stocks, as well as the *“highly significant paua and rock lobster fisheries”* in the area. The submission has commented that *“to put these sustainably managed stocks at risk for relatively short term gain makes little sense.”*

The submission commented that these blocks stand astride the subduction zone and that a *“major seismic event is likely to cause massive failures of oil wells and the attendant damage to the fishery and the coastlines.”* The submission also states that *“these are risks that are not easily mitigated as technology in this sort of environment with this depth of water and this level of seismicity is little known anywhere in the world”*.

The submitter also notes that as these blocks are in deep water, and the area is known for extreme weather conditions, the environmental risk from any oil exploration in these blocks is heightened.

It is the submitter’s view that *“these factors make the risk for oil exploration in these two blocks, which are orders of magnitude higher than the Taranaki Basin, so high that the environmental impacts of any disaster would by far outweigh any benefit derived from royalties and job opportunities.”*

Ngāti Kahungunu Iwi seeks assurance that the natural environment, a taonga, will be protected. In particular, the submission notes that the coastline near proposed blocks 12PEG1, 12PEG2 and 12EC2 is a habitat for a number of the iwi’s taonga (culturally significant kaimoana species) and they insist that exploration on these blocks avoid undue adverse effects and risks on the environment and relevant fisheries.

The submitter commented on the importance of striking a balance with respect to the fishing industry and the possible impacts on this (both positive and negative) by the petroleum industry.

The submitter also states that the area contains a significant wāhi tapu site – *“Te ara tawhito o Kupe (the ancient path of Kupe) the Hikurangi trench, including the Hikurangi margins, which brings in the wake of its current a great source of nourishment for our kaimoana”* – which needs to be protected.

The submitter insists that we only accept the best industrial practice for petroleum exploration and has suggested a contingency fund be established and made directly and

readily available to tangata whenua in the event that “*something goes wrong*.” A precautionary approach should be taken.

This submitter has also outlined that early engagement with iwi and hapū is essential. They ask that iwi/hapū relationships are specifically mentioned as assessment criteria and that iwi and hapū are given “*the opportunity to comment on the capability of companies to build iwi/hapū relationships and build awareness of the project*.” They also insist that “*those companies that have developed good relationships with indigenous peoples and have impeccable environmental practices should be favoured*”.

They insist on being fully informed at all stages of the block offer so they can make informed decisions and work with petroleum companies to influence their decisions.

The iwi authority also commented on their indigenous rights, interests and the Treaty of Waitangi, which includes a Waitangi Tribunal claim (WAI852) against the Crown to which they seek urgent resolution.

Ngāti Rārua iwi Trust opposed mining outright.

Officials’ comments

Exclusion requests

An analysis of the exclusion requests from Rangitāne o Wairarapa, Te Runanga o Ngai Tahu, and Te Ātiawa ki te Upoko o te Ika a Māui Pōtiki Trust, is outlined in Part Two of this report.

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12PEG2, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to the sites located within block 12PEG2, officials believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the Exclusive Economic Zone legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12PEG2, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

Officials note that Ngāti Kahungunu is one of the claimants in Wai 796, and that they are seeking urgent resolution to a Waitangi Tribunal claim (Wai 852) against the Crown.

OTS has advised that Ngai Tahu's Treaty claim has now been settled and that there has been a settlement in relation to Te Ātiawa in the Port Nicholson Block with the Taranaki whanui. Officials have been advised that there are a number of Treaty settlement negotiations underway (or are about to commence) with iwi in relation to the lower East Coast of the North Island including Rangitāne o Wairarapa.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

Several submitters raised concerns about the effects of petroleum operations on the marine environment. The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline, which includes proposed block 12PEG2, will be managed by the Exclusive Economic Zone (**EEZ**) legislation once enacted and implemented by Environmental Protection Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of all activities undertaken in the EEZ or Extended Continental Shelf, the protection of rare and vulnerable ecosystems and the habitats of threatened species and the efficient use and development of natural resources.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the legislation, activities classified as ‘discretionary’ will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

One submitter raised concerns about the need for more stringent health, safety and environmental controls. The government has been and is undertaking a number of measures this year to strengthen the regulatory environment. These are detailed in Annex 6.

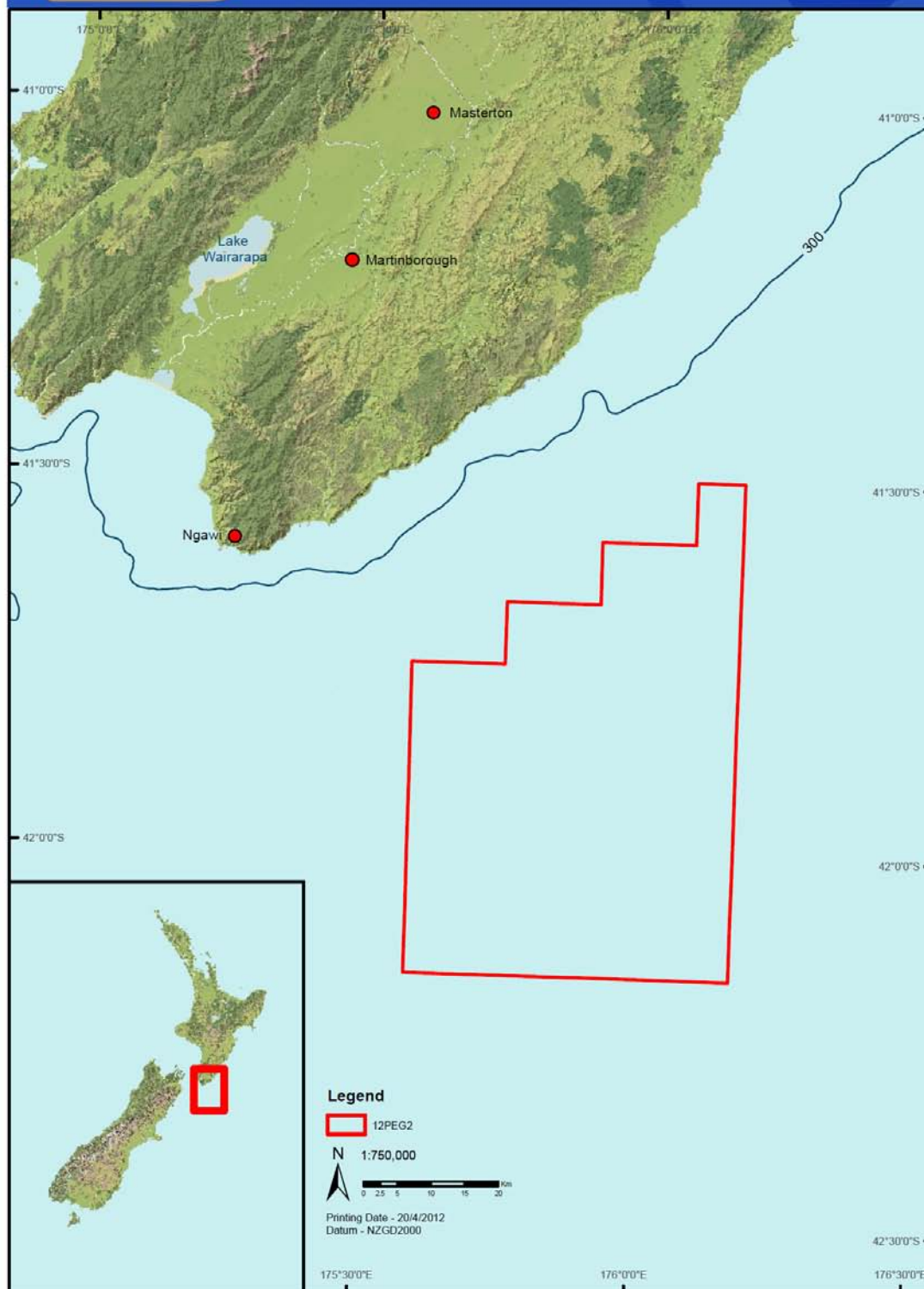
We believe these changes will provide a robust health, safety and environmental framework governing activity through the full life cycle of petroleum development activity. The initiatives also ensure better coordination and collaboration between those government agencies involved in the sector across the life of a petroleum development operation.

Risks associated with earthquake, wave and water depth considerations are mitigated through appropriate design and procedure. These considerations are incorporated into the “safety case” submitted to Department of Labour as part of the work programme approval process. The safety case assesses all technical risk and proposes mitigation solutions.

Recommendations

Officials recommend that Block 12PEG2 be released as per the map below.

Block 12PEG2



Block 12MUR1

The Murchison Basin is lightly explored, with only four petroleum wells drilled in the basin. Oil or gas shows have been noted in all four wells, and one sub-commercial gas condensate discovery was made at Blackwater-1. Widespread seeps of both oil and gas indicate a functional petroleum system, with this block offering good potential for a commercial oil or gas discovery.

Submissions were received from two of the nine groups consulted on proposed block 12MUR1; both from iwi authorities.

Summary of comments

The Ngāti Rārua Iwi Trust opposed mining outright.

Te Runanga o Ngai Tahu stated they were “*unsure whether there are areas within this block that are a concern*” and further consideration will be given to these areas during the Resource Management Act 1991 process.

They commented that they expect the Crown to ensure that there is early and good faith consultation with those who hold manawhenua in each of the areas even when a company is undertaking minimum impact exploration. They stated that the Crown should encourage successful companies to engage early and respectfully where block offers are in relation to Māori land (or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991) or require consents under the Resource Management Act 1991.

They further submitted where the block offers are in relation to Māori land or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991 there is an expectation that the companies who are successful in securing rights within a block will engage early and respectfully with those landowners. Where landowners are opposed to these activities occurring upon their land the Crown should encourage the relevant companies and the landowners to reach a facilitated outcome.

Officials' comments

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (OTS) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that Ngai Tahu's Treaty claim has now been settled.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

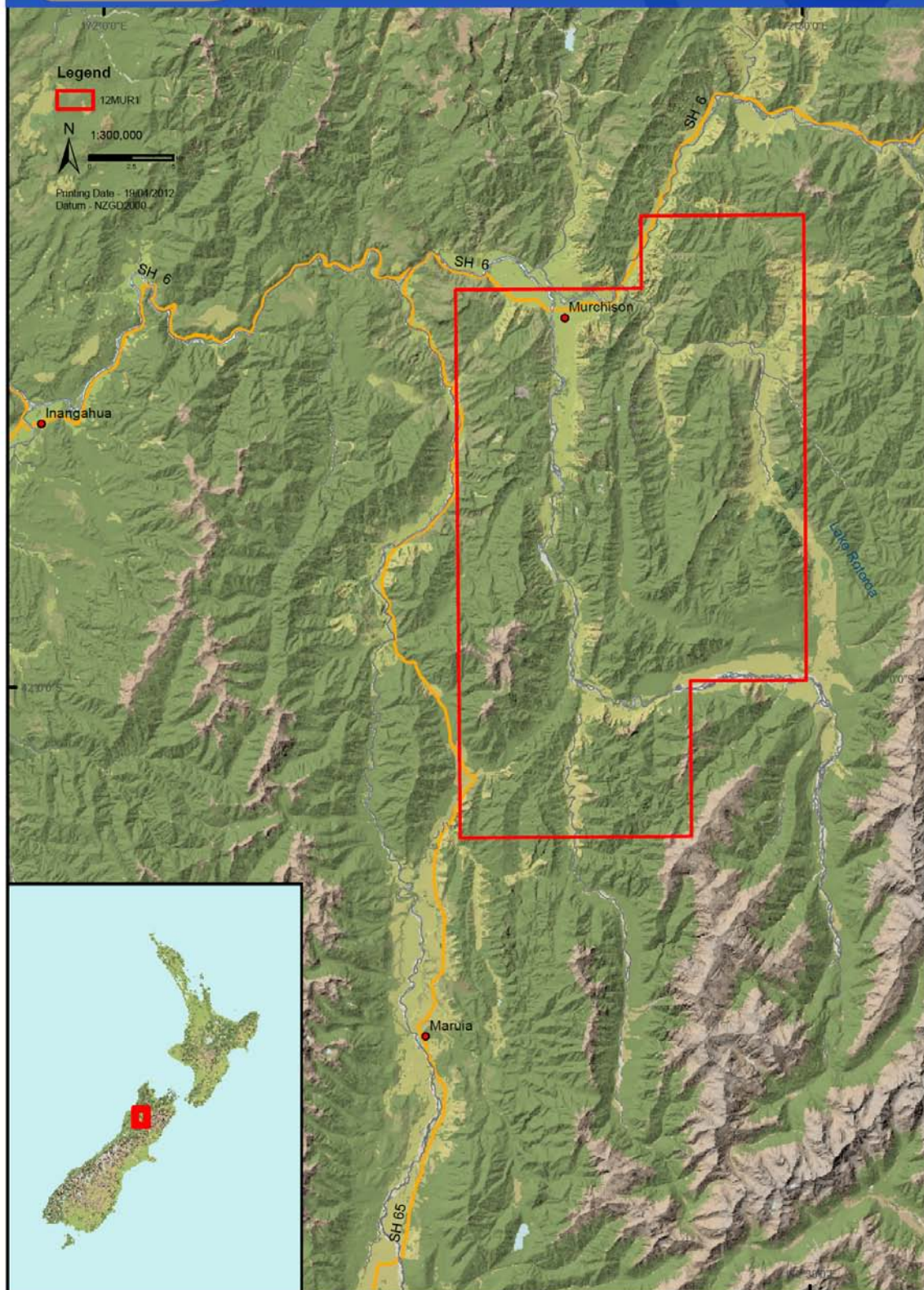
The government is committed to meaningful engagement with iwi on the management of oil and gas resources. We believe the block offer method of allocating exploration rights provides for earlier and more transparent consultation.

We have also strengthened provisions for engagement with iwi and hapū as detailed in Annex 4.

Recommendations

Officials recommend that Block 12MUR1 be released as per the map below.

Block 12MUR1



Block 12WC1

In the western portion of this block, coal seam gas is prospective and oil bearing reservoirs may also be present. Conventional prospectivity exists in the eastern portion of the block. Numerous oil seeps are also documented to the north of the block. Undrilled prospects have been mapped in the area.

The block has some 2D seismic coverage and a working petroleum system, as evidenced by oil and gas shows in some of the wells and sub-commercial discoveries.

Submissions were received from two of the five groups consulted on proposed block 12WC1; both from iwi authorities.

Summary of comments

Ngāti Rārua Iwi Trust opposed mining outright.

Te Runanga o Ngai Tahu stated they were “*unsure whether there are areas within this block that are a concern*” and further consideration will be given to these areas during the Resource Management Act 1991 process.

They commented that they expect the Crown to ensure that there is early and good faith consultation with those who hold manawhenua in each of the areas even when a company is undertaking minimum impact exploration. They stated that the Crown should encourage successful companies to engage early and respectfully where block offers are in relation to Māori land (or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991) or require consents under the Resource Management Act 1991.

They further submitted where the block offers are in relation to Māori land or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991 there is an expectation that the companies who are successful in securing rights within a block will engage early and respectfully with those landowners. Where landowners are opposed to these activities occurring upon their land the Crown should encourage the relevant companies and the landowners to reach a facilitated outcome.

Officials’ comments

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (OTS) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that Ngai Tahu’s Treaty claim has now been settled.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

The government is committed to meaningful engagement with iwi on the management of oil and gas resources. We believe the block offer method of allocating exploration rights provides for earlier and more transparent consultation.

We have also strengthened provisions for engagement with iwi and hapū as detailed in Annex 4.

Recommendations

Officials recommend that Block 12WC1 be released as per the map below.

Block 12WC1



Block 12CB1

Block 12CB1 has high oil and gas potential with source rocks similar to those found in Taranaki. This block is moderately covered by good quality vintage 2D seismic and a small amount of modern 2D.

One submission was received from the only group contacted regarding proposed block 12CB1; an iwi authority.

Summary of comments

Te Runanga o Ngai Tahu has raised concerns that tendering this block will impact on the value of the iwi fishing quota and the health of various fish stocks. The submitter expects greater engagement with the Crown to ensure that fishing activities, and the livelihoods of those who depend on these activities, are not put at risk.

They commented that they expect the Crown to ensure that there is early and good faith consultation with those who hold manawhenua in each of the areas even when a company is undertaking minimum impact exploration. They stated that the Crown should encourage successful companies to engage early and respectfully where block offers are in relation to Māori land (or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991) or require consents under the Resource Management Act 1991.

They further submitted where the block offers are in relation to Māori land or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991 there is an expectation that the companies who are successful in securing rights within a block will engage early and respectfully with those landowners. Where landowners are opposed to these activities occurring upon their land the Crown should encourage the relevant companies and the landowners to reach a facilitated outcome.

Officials' comments

Relevant Treaty Claims and Settlements

The Ministry has consulted with the Office of Treaty Settlements (OTS) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that Ngai Tahu's Treaty claim has now been settled.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline, which includes proposed block 12CB1, will be managed by the Exclusive Economic Zone (EEZ) legislation once enacted and implemented by Environmental

Protection Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of all activities undertaken in the Exclusive Economic Zone (**EEZ**) or Extended Continental Shelf, the protection of the biological diversity and integrity of marine species, ecosystems, and processes and the protection of rare and vulnerable ecosystems and the habitats of threatened species.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the legislation, activities classified as 'discretionary' will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

The government is committed to meaningful engagement with iwi on the management of oil and gas resources. We believe the block offer method of allocating exploration rights provides for earlier and more transparent consultation.

We have also strengthened provisions for engagement with iwi and hapū as detailed in Annex 4.

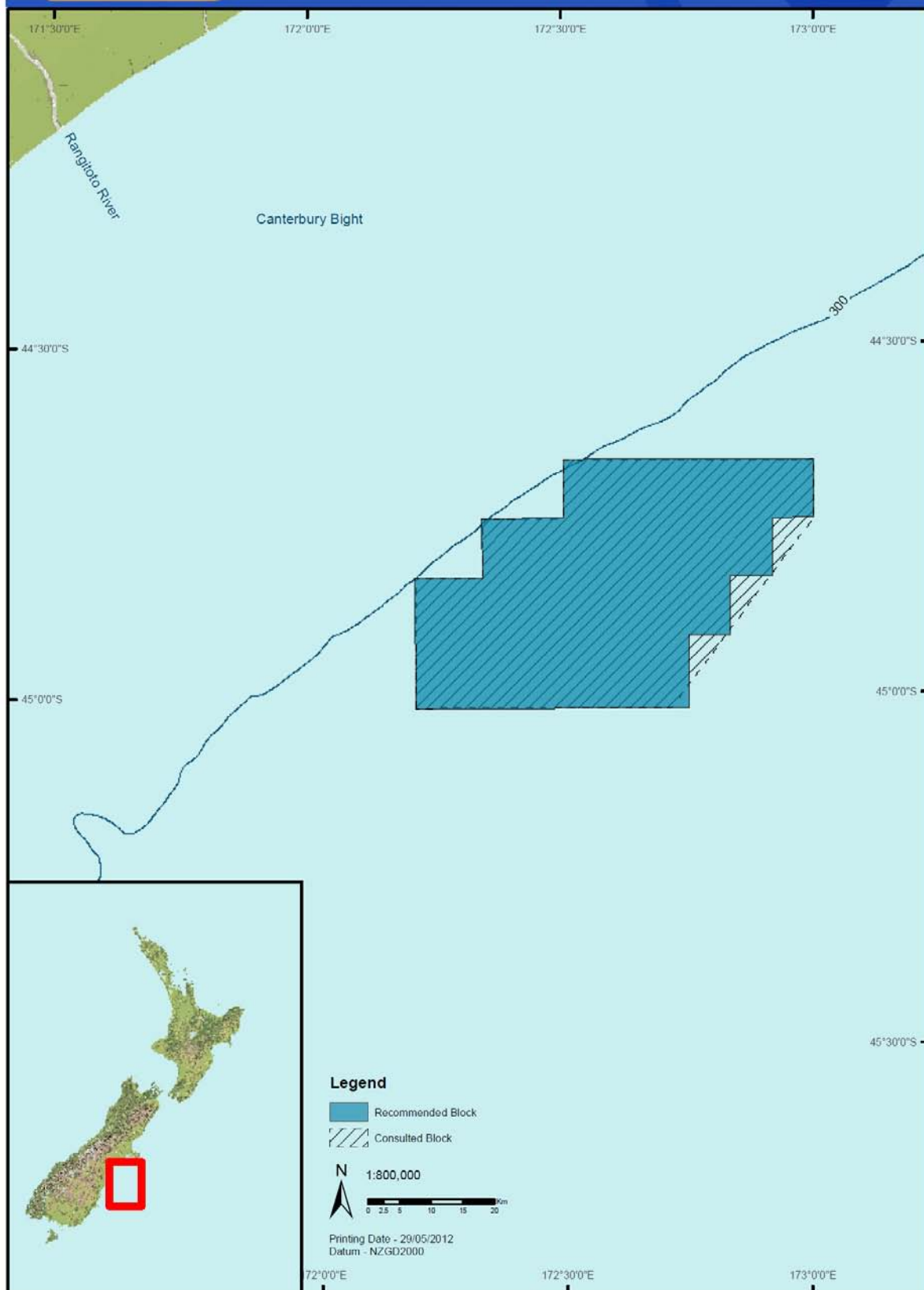
Following the grant of an Extension of Duration over Petroleum Exploration Permit 38264, and the resulting relinquishment of part of this permit area, it is recommended that the eastern boundary of block 12CB1 be redefined in a graticular format to be consistent with in house policy on petroleum permitting³.

³ At the time Petroleum Exploration Permit (PEP) 38264 was allocated, in house policy allowed for permits to be defined in straight lines, rather than by latitude or longitude. Accordingly, at the time blocks were proposed for Block Offer 2012 the eastern boundary of 12CB1 was defined against the diagonal boundary of the original permit area of PEP38264.

Recommendations

Officials recommend that a revised Block 12CB1 be released as per the map below. This recommendation reflects the eastern boundary of block 12CB1 has been redefined in a graticular format to be consistent with in house policy on petroleum permitting.

Block 12CB1



Block 12CB2

Block 12CB2 has high oil and gas potential with source rocks similar to those found in Taranaki. This block is moderately covered by good quality vintage 2D seismic and a small amount of modern 2D.

One submission was received from the only group contacted regarding proposed block 12CB2; an iwi authority.

Summary of comments

Te Runanga o Ngai Tahu has raised concerns that tendering this block will impact on the value of the iwi fishing quota and the health of various fish stocks. The submitter expects greater engagement with the Crown to ensure that fishing activities, and the livelihoods of those who depend on these activities, are not put at risk.

They commented that they expect the Crown to ensure that there is early and good faith consultation with those who hold manawhenua in each of the areas even when a company is undertaking minimum impact exploration. They stated that the Crown should encourage successful companies to engage early and respectfully where block offers are in relation to Māori land (or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991) or require consents under the Resource Management Act 1991.

They further submitted where the block offers are in relation to Māori land or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991 there is an expectation that the companies who are successful in securing rights within a block will engage early and respectfully with those landowners. Where landowners are opposed to these activities occurring upon their land the Crown should encourage the relevant companies and the landowners to reach a facilitated outcome.

Officials' comments

Relevant Treaty Claims and Settlements

The Ministry has consulted with the Office of Treaty Settlements (OTS) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that Ngai Tahu's Treaty claim has now been settled.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline, which includes proposed block 12CB2, will be managed by the Exclusive Economic Zone legislation once enacted and implemented by Environmental Protection

Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of all activities undertaken in the Exclusive Economic Zone (**EEZ**) or Extended Continental Shelf, the protection of the biological diversity and integrity of marine species, ecosystems, and processes and the protection of rare and vulnerable ecosystems and the habitats of threatened species.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the legislation, activities classified as 'discretionary' will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

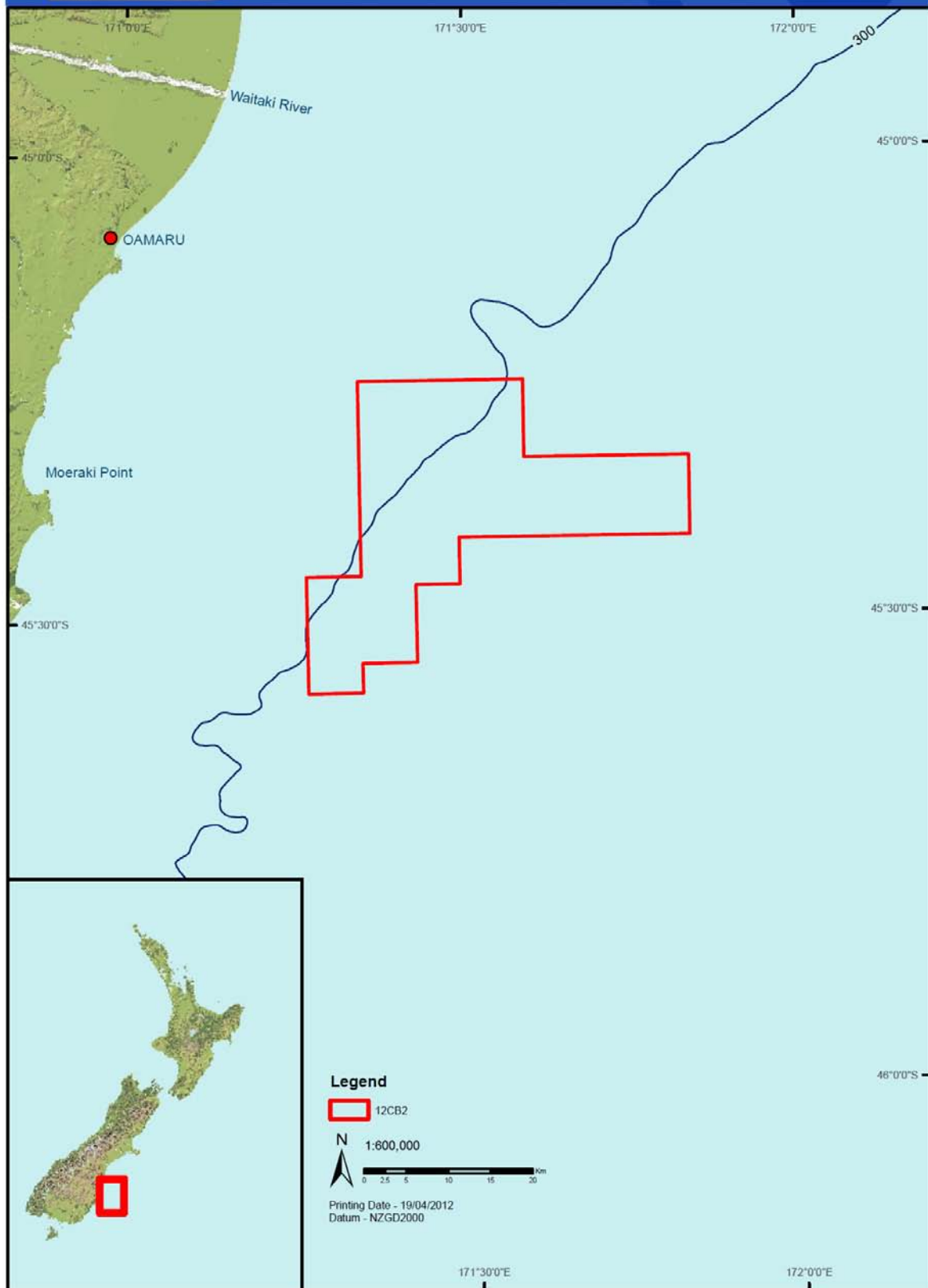
The government is committed to meaningful engagement with iwi on the management of oil and gas resources. We believe the block offer method of allocating exploration rights provides for earlier and more transparent consultation.

We have also strengthened provisions for engagement with iwi and hapū as detailed in Annex 4.

Recommendations

Officials recommend that Block 12CB2 be released as per the map below.

Block 12CB2



Block 12STH1

Coal seam gas potential exists in Block 12STH1. While there is no seismic data available in the block, there is significant industry interest in the area. Prospectivity is limited due to the lack of data but there are multiple coal exploration wells in close proximity and coal exploration has delineated coal measures at depths over 200 metres, suggesting good coal seam gas potential.

Submissions were received from all groups consulted on proposed block 12STH1: one iwi authority and three councils.

Summary of comments

Environment Southland noted that “*northern Southland has no recent history of petroleum exploration*” and as such “*notifying that area for exploration is likely to come as a surprise to the local community and there are bound to be questions from the community around private property rights, access, and the need for consents under the Resource Management Act*”. The Council requested further copies of the Government Management of Petroleum diagram so they could make these available to their community and also noted the emerging concern from their community regarding the practice of fracking.

Southland District Council noted that they would have a role in considering and determining any applications for resource consent required by the Council. The submitter stated that the Council’s district plan considers any such activity a discretionary activity ensuring the full range of effects can be considered and addressed.

They also noted that the block located in the north eastern part of the Southland District, covering a number of townships and settlements, and any exploration activity will need to give careful consideration to the potential effects of noise on these settlements. They also noted that the land bisects the Mataura and Waikaia Rivers. “*The Mataura River and its tributaries are subject to a Statutory Acknowledgement under the Ngai Tahu Claims Settlement Act 1998, which recognises Ngai Tahu’s cultural and traditional association with the river and its tributaries and the significance of these to the tangata whenua.*”

The Council further requested that they are kept informed of the progress New Zealand Petroleum & Minerals makes towards awarding the blocks for tender on the international market and subsequent data gathered.

The Gore District Council raised concerns that the block covers hamlet of Mandeville and its historic aviation airfield, museum and restaurant, which is “*an area of high heritage value which needs to be recognised and quarantined from any exploration for minerals.*”

The submitter has also requested that a buffer of 200 metres either side of the Mataura River, a nationally recognised brown trout fishery, is put in place and that this area be excluded from the proposed exploration.

The submission notes that the Ōtama rural water supply is located in the proposed block and the council is “*looking for some assurances that no damage to this important infrastructure is sustained through the tendering and exploration process.*”

This submitter concluded by saying they would a more definitive view on their merits or otherwise of what is being proposed once the type of mining that may be proposed, including the very contentious subject of fracking, is known.

Te Runanga o Ngai Tahu commented that they expect the Crown to ensure that there is early and good faith consultation with those who hold manawhenua in each of the areas even when a company is undertaking minimum impact exploration. They stated that the Crown should encourage successful companies to engage early and respectfully where block offers are in relation to Māori land (or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991) or require consents under the Resource Management Act 1991.

They further submitted where the block offers are in relation to Māori land or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991 there is an expectation that the companies who are successful in securing rights within a block will engage early and respectfully with those landowners. Where landowners are opposed to these activities occurring upon their land the Crown should encourage the relevant companies and the landowners to reach a facilitated outcome.

The submitter also commented that this block is likely to contain wāhi tapu and historical pā sites and therefore “*expect greater engagement with the government before this area is tendered for exploration.*”

Officials’ comments

Management of sites of local, cultural and historical significance

Officials recognise the importance attached to areas of local, cultural (including wāhi tapu) and historical significance identified by submitters and the responsibility to ensure they are actively protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration. These provisions are detailed in Annex 3.

Under the Minerals Programme for Petroleum (2005), the Crown has responsibilities with regard to the active protection of areas of particular importance to iwi. The exclusion of defined areas of land of particular importance to the mana of iwi from a block offer is one mechanism to achieve this. However, balanced against that, the Crown also needs to consider the relative prospectivity of the area.

In considering the submissions received on 12STH1, officials considered what is known about the sites for which protection is sought, and whether exclusion from the block offer (or another process) will best ensure protection while being mindful of the relative prospectivity of the area.

With regard to block 12STH1, we believe the best way to balance these interests is to include important sites in the block offer and to then encourage and facilitate iwi/local government and petroleum companies to engage to find their own solutions for managing sites of local, cultural and historical significance.

It is also important to note that actual activity undertaken by an operator typically involves a much smaller area than the area of the permit block. Therefore, in many cases the best stage to address the sensitivity of specific sites is at the point prior to activity occurring. This is also the stage at which environmental legislation to manage the effects of activity has a role via the Resource Management Act 1991 on land and within 12 nautical miles, and the Exclusive Economic Zone legislation offshore beyond that point, once it becomes law.

We believe such an approach is appropriate in the case of block 12STH1, supported by strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance as detailed in Annex 4.

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (**OTS**) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

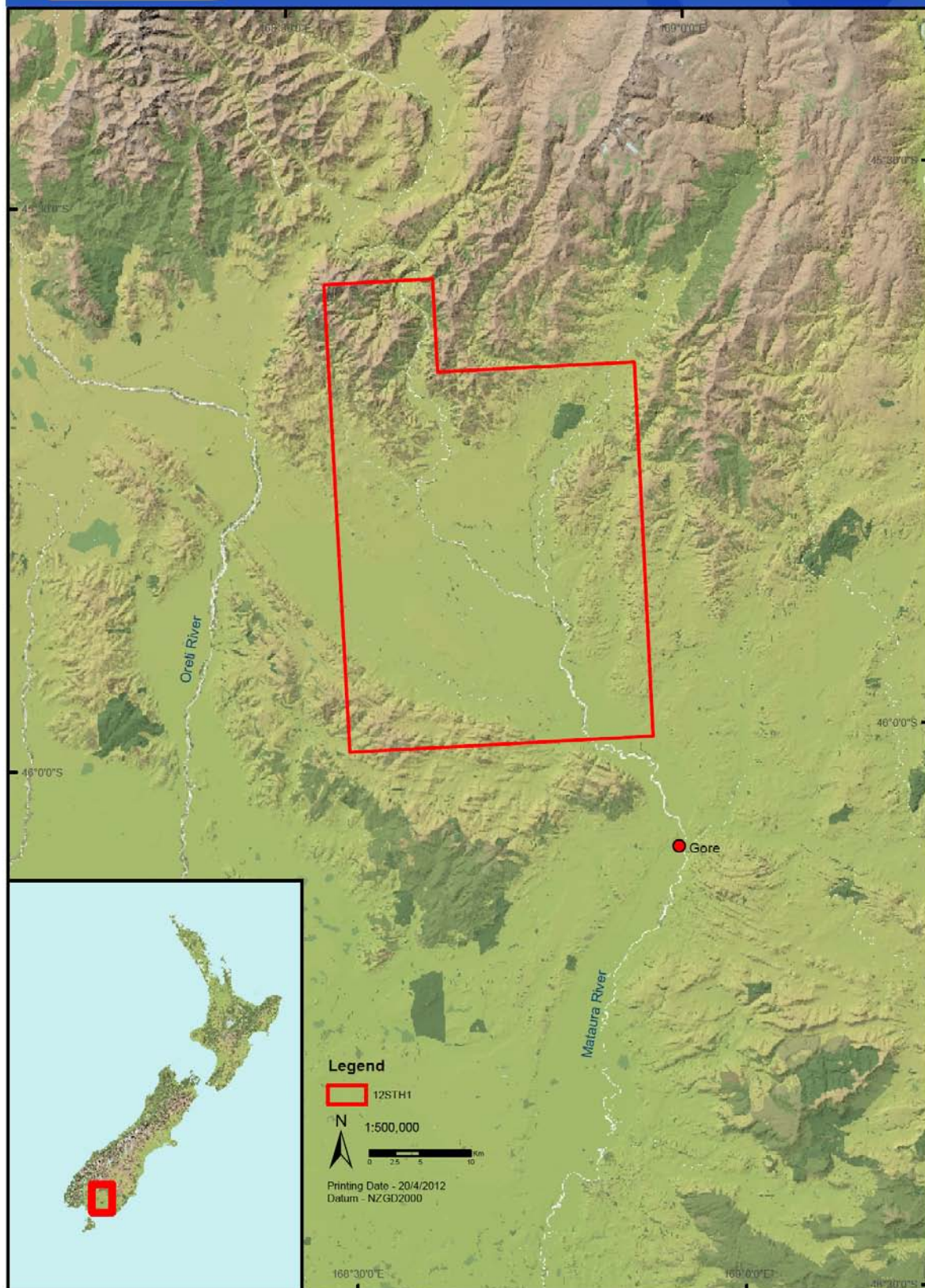
OTS has advised that Ngai Tahu's Treaty claim has now been settled.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Recommendations

Officials recommend that Block 12STH1 be released as per the map below.

Block 12STH1



Block 12GS1

Block 12GS1 offers attractive geology over a large area with good data coverage. 2D seismic data collected in 2007 combined with a large 2D survey purchased in 2004 provides modern high quality imaging. A large 3D survey in the north of the block was also acquired in 2007.

One petroleum well is present in the immediate block and three further wells are located near the block boundaries, one of which was a sub-commercial gas/condensate discovery. Oil shows were also present in two wells further north, proving a working petroleum system is present.

One submission was received from the only group contacted regarding proposed block 12GS1; an iwi authority.

Summary of comments

Te Runanga o Ngai Tahu has stated they are “*uncertain with off-shore exploration at this depth and scale*”. Prior to these blocks being tendered, the iwi authority wishes to engage with the government to ensure activities undertaken in these blocks adhere to best environmental practice.

They commented that they expect the Crown to ensure that there is early and good faith consultation with those who hold manawhenua in each of the areas even when a company is undertaking minimum impact exploration. They stated that the Crown should encourage successful companies to engage early and respectfully where block offers are in relation to Māori land (or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991) or require consents under the Resource Management Act 1991.

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Officials' comments

Relevant Treaty claims and settlements

The Ministry has consulted with the Office of Treaty Settlements (OTS) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

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Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit

under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline, which includes proposed block 12GS1, will be managed by the Exclusive Economic Zone (**EEZ**) legislation once enacted and implemented by Environmental Protection Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of all activities undertaken in the EEZ or Extended Continental Shelf, the protection of rare and vulnerable ecosystems and the habitats of threatened species and the efficient use and development of natural resources.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the legislation, activities classified as 'discretionary' will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

The government is committed to meaningful engagement with iwi on the management of oil and gas resources. We believe the block offer method of allocating exploration rights provides for earlier and more transparent consultation.

We have also strengthened provisions for engagement with iwi and hapū as detailed in Annex 4.

Recommendations

Officials recommend that Block 12GS1 be released as per the map below.

Block 12GS1



Block 12GS2

Block 12GS2 is prospective for oil and gas over a large frontier area. Data coverage is sparse, but modern and of high quality. Although distant from modern petroleum wells, shows and sub-commercial discoveries elsewhere in the basin suggest this area is prospective for conventional oil and gas.

One submission was received from the only group contacted regarding proposed block 12GS2; an iwi authority.

Summary of comments

Te Runanga o Ngai Tahu has stated they are “*uncertain with off-shore exploration at this depth and scale*”. Prior to these blocks being tendered, the iwi authority wishes to engage with the government to ensure activities undertaken in these blocks adhere to best environmental practice.

They commented that they expect the Crown to ensure that there is early and good faith consultation with those who hold manawhenua in each of the areas even when a company is undertaking minimum impact exploration. They stated that the Crown should encourage successful companies to engage early and respectfully where block offers are in relation to Māori land (or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991) or require consents under the Resource Management Act 1991.

They further submitted where the block offers are in relation to Māori land or obtaining access arrangements with Māori landowners under the Crown Minerals Act 1991 there is an expectation that the companies who are successful in securing rights within a block will engage early and respectfully with those landowners. Where landowners are opposed to these activities occurring upon their land the Crown should encourage the relevant companies and the landowners to reach a facilitated outcome.

Officials' comments

Relevant Treaty Claims and Settlements

The Ministry has consulted with the Office of Treaty Settlements (OTS) regarding Treaty claims and settlements that may have implications for the management of the petroleum estate.

OTS has advised that Ngai Tahu's Treaty claim has now been settled.

Officials note that the granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991). Accordingly, following discussions with OTS, Ministry of Economic Development officials consider the grant of a petroleum permit under the Act is not expected to impact on, or be prejudicial to, the resolution of historical Treaty claims.

Other considerations

The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline, which includes proposed block 12GS2, will be managed by the Exclusive

Economic Zone (**EEZ**) legislation once enacted and implemented by Environmental Protection Authority (**EPA**). The legislation currently before Parliament sets up a new environmental management regime to ensure any adverse effects to the environment from activities in New Zealand's oceans must be avoided, remedied or mitigated.

Under the proposed legislation, decision makers must consider, among other things, the adverse effects on the environment of all activities undertaken in the EEZ or Extended Continental Shelf, the protection of rare and vulnerable ecosystems and the habitats of threatened species and the efficient use and development of natural resources.

The Bill is expected to come into effect following enactment once a complete set of regulations is developed later this year, well before any planned activity within the blocks is expected to take place.

Under the legislation, activities classified as 'discretionary' will require marine consents from the EPA. All applications for consents must be publicly notified, as well as specifically notified to specific groups. Any person will be able to make a submission and there may be a hearing if requested by the applicant for consent or a submitter. An impact assessment, required to be submitted with an application for marine consent, must identify the actual and potential effects of the activity on the environment and existing interests – this means that the effect of a proposed activity on fishing interests (for instance) will be explicitly considered in any consent decisions.

Over the coming months the Ministry for the Environment will be consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

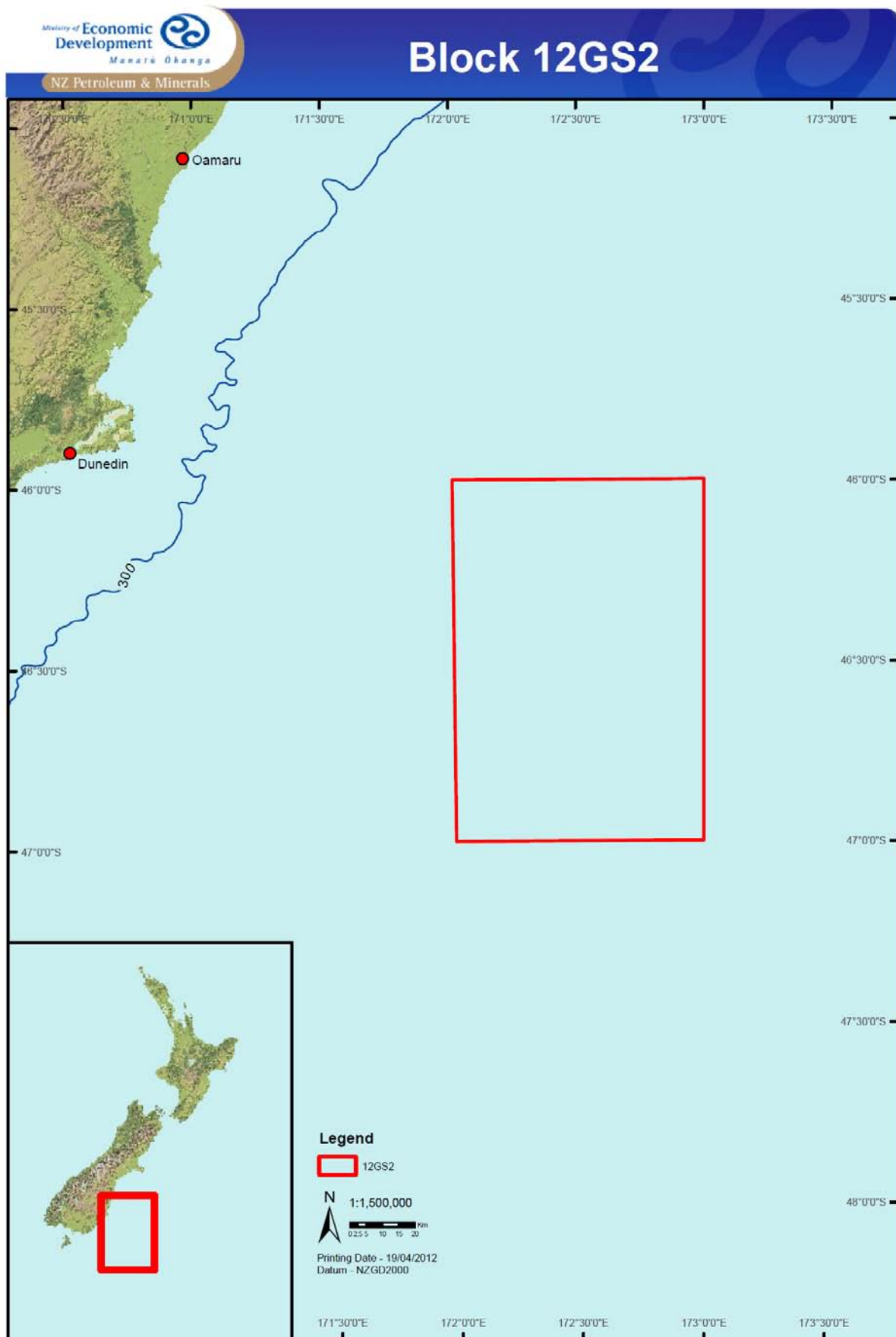
Further information on the EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA is detailed in Annex 5.

The government is committed to meaningful engagement with iwi on the management of oil and gas resources. We believe the block offer method of allocating exploration rights provides for earlier and more transparent consultation.

We have also strengthened provisions for engagement with iwi and hapū as detailed in Annex 4.

Recommendations

Officials recommend that Block 12GS2 be released as per the map below.



Annex One: List of groups consulted on the proposed Block Offer 2012

Iwi authorities

1	Aorangi Māori Trust Board
2	He Toa Takitini
3	Maniapoto Māori Trust Board
4	Moana Rāhui o Aotea
5	Ngā Hapū o Ngāruahine Iwi Inc
6	Ngā Hapū o Poutama
7	Ngāruahine Iwi Authority
8	Ngāti Apa ki Te Ra Tō Trust
9	Ngāti Kahungunu Iwi Inc
10	Ngāti Kōata Trust
11	Ngāti Korokī Kahukura Trust
12	Ngāti Maru Wharanui Pukehou Trust
13	Ngāti Rārua Iwi Trust
14	Ngāti Tama Manawhenua ki Te Tau Ihu Trust
15	Ngāti Te Wehi
16	Port Nicholson Block Settlement Trust
17	Rangitāne o Tāmaki nui ā Rua
18	Rangitāne o Wairarapa
19	Rangitāne Settlement Negotiations Trust
20	Raukawa Settlement Trust
21	Tainui Hapū Environmental Management Committee
22	Taranaki Iwi Trust
23	Taumata WiiWii Trust
24	Te Ātiawa (Taranaki) Settlements Trust
25	Te Ātiawa Iwi Authority
26	Te Ātiawa ki te Upoko o te Ika a Māui Pōtiki Trust
27	Te Ātiawa Manawhenua ki Te Tau Ihu Trust
28	Te Kaahui o Rauru
29	Te Kōtuku Whenua
30	Te Ohu Tiaki o Rangitāne Te Ika a Māui Trust
31	Te Runanga a Rangitāne o Wairau Trust
32	Te Runanga o Ngai Tahu
33	Te Runanga o Ngāti Kuia Trust
34	Te Runanga o Ngāti Mutunga
35	Te Runanga o Ngāti Ruanui Trust
36	Te Runanga o Ngāti Tama
37	Te Runanga o Toa Rangātira Inc
38	Te Runanganui o Rangitāne Incorporated
39	Te Taiwhenua O Tamatea
40	Waikato -Tainui Te Kauhanganui Incorporated

Local government

1	Central Hawkes Bay District Council
2	Environment Southland
3	Gore District Council
4	Grey District Council
5	Horizons Regional Council
6	Masterton District Council
7	New Plymouth District Council
8	Otorohanga District Council
9	South Taranaki District Council
10	Southland District Council
11	Stratford District Council
12	Taranaki Regional Council
13	Tararua District Council
14	Tasman District Council
15	Waikato District Council
16	Waikato Regional Council
17	Waipa District Council
18	Waitomo District Council
19	West Coast Regional Council

Annex Two: List of submitters on the proposed Block Offer 2012

1	Environment Southland
2	Gore District Council
3	Hauāuru Ki Uta Regional Management Council
4	Maniapoto Māori Trust Board
5	Masterton District Council
6	New Plymouth District Council
7	Ngā Hapū o Poutama
8	Ngāruahine Iwi Authority
9	Ngāti Haua
10	Ngāti Kahungunu Iwi
11	Ngāti Rārua Iwi Trust
12	Ngāti Te Wehi
13	Ngāti Tūpaia Hapū
14	Ōkahu/Inuāwai Hapū
15	Rangitāne o Tāmaki nui ā Rua
16	Rangitāne o Wairarapa
17	Southland District Council
18	South Taranaki District Council
19	Stratford District Council
20	Taranaki Iwi Trust
21	Tararua District Council
22	Te Ātiawa ki te Upoko o te ika a Māui Pōtiki Trust
23	Te Runanga o Ngāti Ruanui Trust
24	Te Runanga o Ngai Tahu
25	Waikato District Council

Annex Three: Regulatory provisions relating to the protection of sites of local, cultural and historical significance

The government is concerned to ensure that sites of local, cultural (including wāhi tapu) and historical significance are protected from development where appropriate. There are several pieces of legislation that explicitly allow for such consideration and details of their provisions are set out below.

Crown Minerals Act 1991

Section 15(3) of the Crown Minerals Act 1991 (**CMA**) provides that on request of an iwi, a minerals programme may provide that defined areas of land of particular importance to its mana are excluded from the operation of the minerals programme or must not be included in any permit.

In determining whether a request by an iwi under section 15(3) should be accepted, the Minister of Energy and Resources will give genuine attention and thought to all relevant matters. These include the overall purpose of the CMA, the principles of the Treaty of Waitangi, the cultural importance of the land, and the Crown's interests.

The evaluation also needs to consider the value of the mineral resource, in other words the prospectivity of the area, and whether exclusion may substantively restrict the Crown's ability to manage its mineral assets. A valid consideration in this context is whether the extent of prospectivity is too uncertain to allow an estimate of the potential value of that area until exploration activity has occurred.

The Minerals Programme for Petroleum 2005 (**MPP**) describes certain areas of land that are unavailable for permitting because of importance to Māori (refer to section 15(3) of the CMA, and section 4 of the MPP). These consist of Mount Taranaki and the Pouakai, Pukeiti and Kaitake Ranges and the Titi and Beneficial Islands.

Further, under the current block offer, all land listed in Schedule 4 of the CMA will be excluded from petroleum exploration permits. Schedule 4 covers areas of particular natural significance and includes national parks and nature reserves.

Resource Management Act 1991

Resource consents will be required for most petroleum exploration and mining related activities in addition to permits under the CMA. The Resource Management Act 1991 (**RMA**) provides the appropriate framework for affected communities to identify areas that may need to be protected, usually because of an area's special significance. Attempting to manage local effects of activities through the CMA is unlikely to provide the best outcome as it is focused on permit allocation and management.

The RMA requires all decision makers to recognise and provide for a number of matters of national importance through regional and district plans and in consent decisions. Matters of national importance include the protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development and the relationship of Māori with their ancestral lands and wāhi tapu. The RMA requires all decision makers to take into account the principles of the Treaty of Waitangi and to have particular regard to kaitiakitanga. Regional and district plans can also protect taonga and wāhi tapu sites.

The rules contained in a plan set the framework for a council to follow in respect of applications for resource consent. Where an application is publicly notified, parties will have the opportunity to lodge submissions.

Historic Places Act 1993

Wāhi tapu sites and other sites of historical importance, such as pa sites, receive protection under the Historic Places Act 1993 (**HPA**). There are different forms of protection.

Archaeological sites must not be damaged, modified or destroyed without authority from the Historic Places Trust (section 10 of the HPA). Archaeological sites include places associated with human activity before 1900 or that may provide evidence relating to the history of New Zealand following archaeological investigation. This will include urupā sites pre 1900. Officials are advised that authority is not normally given to damage such sites.

Sites can be registered with the Historic Places Trust. Once they are registered they will generally be listed in district plans. The register contains a number of parts, including parts relating to wāhi tapu and wāhi tapu areas. Wāhi tapu areas may be proposed to the Maori Heritage Council and the proposal is publicly notified (section 32 of the HPA). Once an area has been registered the Trust may make recommendations to the consent authorities, which must then have regard to the Trust's recommendations (section 32D of the HPA).

Sites may also be the subject of a heritage covenant that goes on the title to the land that cannot be lifted without the agreement of the landowner (section of the HPA).

Exclusive Economic Zone and Continental Shelf (Environmental Effects) Bill

The proposed Exclusive Economic Zone (**EEZ**) legislation will establish an environmental effects management regime beyond the 12 nautical mile limit, that is, outside the jurisdiction of the RMA. Under this legislation, the Environmental Protection Authority (**EPA**) will be responsible for managing marine consents.

The EEZ Bill provides that the EPA's existing Māori Advisory Committee will advise the EPA so that decisions made under the Bill may be informed by a Māori perspective. The EPA's Māori Advisory Committee will be able to provide advice and assistance on matters relating to policy, process, and decisions under the EEZ legislation.

The EEZ Bill also requires:

- the Minister to establish and use a process that gives iwi adequate time and opportunity to comment on the subject matter of proposed regulations,

- all persons performing functions and duties or exercising powers under the EEZ Bill to have regard to existing interests to the extent that they are relevant. Existing interests include Treaty settlements and customary marine title and protected customary rights granted under the Marine and Coastal Area (Takutai Moana) Act 2011, and
- the EPA to notify iwi authorities, customary marine title groups, and protected customary rights groups directly, of consent applications that may affect them. In this way consultation, including with iwi, will be a feature of the consent decision-making processes.

The EPA is currently seeking submissions on the draft policy document “*Engaging with Māori for Applications to the EPA*”. The draft policy provides information about the types of proposals requiring consultation; the levels of information required for effective decision making; and the need for applicants to have an engagement strategy.

This document proposes that any application to be processed by the EPA, that would have the potential to significantly impact (either positively or negatively) on outcomes of importance to Māori, will trigger a requirement for applicants to engage with Māori.

<http://www.epa.govt.nz/consultations/general/Pages/Engaging-with-Maori-draft-policy.aspx>

The Environmental Protection Authority Act 2011 also provides the following opportunities for Māori involvement in the EPA:

- a dedicated position/s on the board to ensure at least one member has knowledge and experience relating to the Treaty and tikanga Māori (with the potential for the Minister for the Environment to appoint more than one member with these qualifications), and
- a requirement for the board to collectively have knowledge of and experience related to the Treaty and tikanga Māori.

Land access arrangements

For any activity to occur, a permit holder requires a land access arrangement with the relevant land owner. In such cases, the land owner may negotiate terms and conditions they consider necessary to protect particular areas. If an access arrangement cannot be agreed the permit holder has the right, following a notification process, to have the terms and conditions of access determined by an arbitrator.

Annex Four: Strengthened provisions to ensure the active protection of areas of local, cultural (including wāhi tapu) and historical significance.

- A new condition has been included in the Block Offer 2012 Invitation for Bids (IFB) that will require that successful bidders provide a written report to the Secretary (the Ministry) each year summarising the iwi engagement undertaken in the previous year. The IFB further provides an indication of how engagement with iwi would be undertaken and sets an expectation that the permit holder will regularly engage with iwi on issues that are likely to affect their interests during the petroleum exploration process, in particular in relation to sites of particular importance to iwi.
- The Ministry will continue to engage with iwi, so they have an opportunity to provide further information, such as specificity in relation to particular sites of local, cultural (including wāhi tapu) and historical significance.
- With the submitter's permission, we will provide the successful bidder with the information supplied to the Ministry with regard to areas of sensitivity.
- The Ministry will actively facilitate the relationship between successful bidders and iwi, for example, by providing introductions where appropriate.
- The Ministry is mindful to ensure that the comments provided by iwi/hapū as part of this consultation exercise are considered during the resource consenting phase. With the submitter's permission, the Ministry will write to the relevant regional and district planning authorities to notify them of relevant information from the submissions received through this process.

Annex Five: EEZ Bill, particularly its provisions for Māori engagement and the opportunities for Māori involvement in the EPA

The Ministry for the Environment is currently consulting on proposals for regulations under the EEZ Bill. This will include proposals relating to the classification of activities, i.e. which activities will require marine consents and which will not. This will include targeted consultation with iwi.

The EEZ Bill provides that the EPA's existing Māori Advisory Committee will advise the EPA so that decisions made under the Bill may be informed by a Māori perspective. The EPA's Māori Advisory Committee will be able to provide advice and assistance on matters relating to policy, process, and decisions under the EEZ legislation.

The EEZ Bill also requires:

- the Minister for the Environment to establish and use a process that gives iwi adequate time and opportunity to comment on the subject matter of proposed regulations,
- all persons performing functions and duties or exercising powers under the EEZ Bill to have regard to existing interests to the extent that they are relevant. Existing interests include Treaty settlements and customary marine title and protected customary rights granted under the Marine and Coastal Area (Takutai Moana) Act 2011,
- the EPA to notify iwi authorities, customary marine title groups, and protected customary rights groups directly, of consent applications that may affect them. In this way consultation, including with iwi, will be a feature of the consent decision-making processes.

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This document proposes that any application to be processed by the EPA, that would have the potential to significantly impact (either positively or negatively) on outcomes of importance to Māori, will trigger a requirement for applicants to engage with Māori.

The Environmental Protection Authority Act 2011 also provides the following opportunities for Māori involvement in the EPA:

- a dedicated position/s on the board to ensure at least one member has knowledge and experience relating to the Treaty and tikanga Māori (with the potential for the Minister for the Environment to appoint more than one member with these qualifications); and
- a requirement for the board to collectively have knowledge of and experience related to the Treaty and tikanga Māori.

Annex Six: Strengthening the regulatory health, safety & environmental regime for petroleum activity

The government has been, and is, undertaking a number of initiatives this year to strengthen the overall regulatory regime for petroleum activity and to ensure an appropriate balance between economic benefits and health, safety and environmental concerns. Details of these initiatives are set out below.

Review of the Crown Minerals Act regime

The Ministry of Economic Development has published a discussion paper which proposes certain changes to the Crown Minerals Act 1991, and associated regulations and minerals programmes.

Key proposals in the discussion paper include:

- Developing a front-end process to ensure companies' health, safety and environmental capabilities are well known and scrutinised as they enter the permitting process,
- Ensuring regulatory efforts are proactive, co-ordinated and focus on operations that have the highest technical and geological complexity, and that generate the bulk of royalty income,
- Improving dialogue between regulatory agencies, iwi and other important stakeholders, as it relates to the Crown Minerals Act regime.

The consultation period has now closed. Submissions received will be taken into account in the development of a bill to amend the Crown Minerals Act regime. An amendment bill is expected to be introduced into Parliament in 2012.

<http://www.med.govt.nz/sectors-industries/natural-resources/oil-and-gas/review-of-the-crown-minerals-act-regime>

Protecting New Zealand's Exclusive Economic Zone

Legislation currently before Parliament sets up a new environmental management regime to ensure activities in New Zealand's oceans must avoid, remedy or mitigate any adverse effects to the environment. The environmental effects of petroleum exploration activities beyond 12 nautical miles from the coastline will be managed by the Exclusive Economic Zone legislation once enacted.

Exploration permit holders will be required to apply for necessary environmental resource consents from the Environmental Protection Authority (**EPA**) who will be responsible for administering the legislation. The Exclusive Economic Zone and Continental Shelf (Environmental Effects) Bill is currently being considered by the Local Government and Environment select committee and is expected to come into effect once a complete set of regulations are developed.

Last year the government put in place a number of interim measures to address the potential environmental effects of offshore petroleum exploration activity, including the submission of impact assessments to the EPA consistent with what is likely to be required under the new legislation.

<http://www.mfe.govt.nz/issues/oceans/current-work/index.html>

Review of the health and safety regulations for petroleum

The Department of Labour (**DoL**) is currently undertaking a review the Health and Safety in Employment (Petroleum Exploration and Extraction) Regulations 1999 and are seeking submissions on proposed changes. The review proposes a number of changes to the regulations, including:

- Improving the DoL's oversight of petroleum operations,
- Improving the regulation of wells (from initial design through to final plugging and abandonment),
- Strengthening the regulation of well drilling activities following international best practice, through enhancing the safety case regime and requiring operators to provide the details of:
 - any hazard with the potential to cause a major accident event (this covers seismic, wave, deep water and iceberg risk),
 - an assessment of the risk associated with each major accident hazard (including identification and evaluation of causes and consequences), and
 - the engineering, procedural, and human barriers that will be implemented to prevent the realisation of a major accident hazard or limit the consequences if the hazard is realised.

Submissions are due by Friday 27 July this year and the new regulations are expected to be in place by November 2012.

<http://www.dol.govt.nz/consultation/petroleum-regulations/>

Establishment of a High Hazards Unit

A specialised High Hazards Unit has been established within the Department of Labour with the appointment of a Chief Inspector and four inspectors specifically focused on petroleum.

<http://www.beehive.govt.nz/release/high-hazards-unit-now-full-strength>

Strengthening guidelines for minimising acoustic disturbance to marine mammals from seismic survey operations

While petroleum exploration activities prior to drilling are much lower in impact than drilling, potential exists for seismic operations at sea to have an adverse impact on marine mammals through acoustic disturbance. Therefore, there are guidelines, administered by the

Department of Conservation (**DoC**), for minimising acoustic disturbance to marine mammals from seismic survey operations.

The guidelines apply to all marine mammal species (including Hector's and Maui's dolphins, seals, whales, and any other species recommended for inclusion).

Since 2010, DoC has been working with stakeholders to review the guidelines for minimising acoustic disturbance to marine mammals from seismic survey operations. The "*2012 Code of Conduct for Minimising Disturbance to Marine Mammals from Seismic Survey Operations*" is expected to be released in June this year, together with a revised reference document that provides context and assists with interpretation.

The primary objectives of the Code are to:

- Minimise disturbance to marine mammals from seismic survey activities,
- Minimise noise in the marine environment arising from seismic survey activities,
- Contribute to the body of scientific knowledge on the physical and behavioural impacts of seismic surveys on marine mammals through improved, standardised observation and reporting,
- Provide for the conduct of seismic surveys in New Zealand continental waters in an environmentally responsible and sustainable manner,
- Build effective working relationships between government, industry and research stakeholders.

<http://www.doc.govt.nz/publications/conservation/native-animals/marine-mammals/minimising-acoustic-disturbance-to-marine-mammals-from-seismic-surveys/>

Response to oil spills

New Zealand's oil spill response capability is built through the strengthening partnerships between Maritime New Zealand (**MNZ**), regional councils, industry and overseas agencies. MNZ works with its partners to ensure oil spill response plans are in place and current for every region of the country. MNZ maintains an expert, nation-wide oil spill response team who are trained and equipped to respond to marine oil spills at regional and national level. They also own over \$12 million dollars of equipment to use when responding to marine oil spills. This equipment is housed in Auckland as well as at over 20 locations around New Zealand.

<http://www.maritimenz.govt.nz/Environmental/Responding-to-spills-and-pollution/Responding-to-spills-and-pollution.asp>

Part Two: Iwi or hapū requests for amendments to, or exclusions of land, from proposed Block Offer 2012

Paragraph 3.10 of the Minerals Programme for Petroleum 2005 (**MPP**), states that “As part of the consultation process, iwi and Hapū may request an amendment to the proposed block offer or that defined areas of land not be included in any permit (block)”.

Paragraph 3.12 of the MPP requires an evaluation of requests for amendment to, or exclusion of land, from the proposed block offer. In evaluating such requests, consideration of several matters must be made. What follows is a full consideration of these matters for each request received.

Submission: 1

Iwi: Hauāuru ki Uta Regional Management Committee
(**Hauāuru ki Uta**)

Representative Organisation/Person: Bebe Love, Secretary

Date Received: 5 April 2012

Block affected: 12WAI1

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

Hauāuru ki Uta submitted that they:

- A. Seek the exclusion of “defined areas” referred to as Harihari (Taharoa B block) to Tauhua (Kinohaku West no 1), as referenced in co-ordinates from the Waitomo District Plan 2009.
- B. Seek the exclusion of other sites within the block, i.e, Taumatatōtara West and Coutts Road.

Request A: The exclusion of “defined areas” referred to as Harihari (Taharoa B block) to Tauhua (Kinohaku West no 1)

Reasons submitted for request A

In support of this exclusion request Hauāuru ki Uta state that the defined areas are significant to whānau, hapū and iwi for various reasons. These include that they are places to gather food, settlements, wāhi tapu sites, meeting places and burial grounds.

<i>Exclusion of “defined areas” referred to as Harihari (Taharoa B block) to Tauhua (Kinohaku West no 1)</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Hauāuru ki Uta state that the defined areas are significant to whānau, hapū and iwi for various reasons including that they are places to gather food, settlements, wāhi tapu sites, meeting places and burial grounds.
<i>Whether the area is a known wāhi tapu site;</i>	As above.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka</i>	As above.

<i>tauranga (the landing places of the ancestral canoes);</i>	
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and objections under other legislation;</i>	<p>Officials have consulted the Office of Treaty Settlements (OTS), who advise that Hauāuru ki Uta are associated with the Ngāti Maniapoto Māori Trust Board. OTS has identified that the Crown is either in active negotiations with or will enter negotiations with Maniapoto.</p> <p>The importance of the area is likely to be referred to in such negotiations but officials do not have any details at this stage.</p>
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	<p>See above.</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	<p>Officials have reviewed the Maniapoto Iwi Environmental Management Plan 2007 and note that while parts of the area requested for exclusion are identified as registered wāhi tapu with the Historic Places Trust, the recommended revision and reduction of block 12WAI1 mean those sites are now excluded from the block.</p>
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	<p>Given the size of the areas that Hauāuru ki Uta have identified for exclusion, it is not possible to determine the extent to which the landowner access veto right will apply.</p>
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991,</i>	<p>The regulation of activities onshore and to the limit of the territorial sea (and their effects) is undertaken by consent authorities under the Resource Management Act 1991 (RMA). Onshore and offshore (out to 12</p>

<p><i>Conservation Act 1987, Historic Places Act 1993; and</i></p>	<p>nautical miles) cultural sites do enjoy a substantive level of statutory protection under the RMA and through a range of local authority planning instruments and processes.</p> <p>Under section 6 of the RMA, all decision makers are required to recognise and provide for “the relationship of Māori and their culture and traditions with their ancestral lands, water sites, waahi tapu and other taonga” as a matter of national importance.</p> <p>The Waitomo District Plan 2009 provides substantive protection for the cultural sites referred to as Harihari to Tauhua, and other sites within the block, i.e. Taumatatōtara West and Coutts Road, in the control of activities that may adversely affect these resources. The sites are listed in Schedule 3 <i>Archaeological Sites</i> of section 21 <i>Heritage Resources</i> in the district plan. Any “<i>alteration or destruction of any feature or site</i>” identified in Schedule 3 has discretionary status (land use consent required). Moreover, Hauāuru Ki Uta is identified in Appendix 1 of the plan as a contact for Māori consultation.</p>
<p><i>The size of area and value of the potential resource affected if the area is excluded</i></p>	<p>Parts of block 12WAI1 are sought for exclusion.</p> <p>On review of the submissions received on 12WAI1, and a more precise assessment of the likely distribution and location of the resource, officials consider that the most prospective areas lie in a smaller area than that originally proposed.</p> <p>The value and prospectivity of the recommended revised and reduced 12WAI1 block is assessed in summary as follows:</p> <p>Potential exists in the 486.6 km² 12WAI1 block for coal seam gas. A 2008 study conducted by L&M indicates that 247 million tonnes of coal is present beneath sufficient cover to provide a coal seam gas resource. This block contains four coalfields and also borders the Waikato coalfields to the north. No conventional oil and gas is expected in the block.</p>
<p><i>Other relevant considerations</i></p>	<p>No other relevant considerations have been identified.</p>

Conclusion

1. Officials consider that 12WAI1 should be revised and reduced from 2738.6 km² to 486.6 km². This will address many of the concerns raised in the submissions received on 12WAI1 as the reduced block excludes a large number of sensitive areas. Officials have also conducted a more precise assessment of the likely distribution and location of the resource, and consider that the most prospective areas of the block lie in a smaller area than that originally proposed.
2. This proposed amendment addresses the concerns raised by Hauāuru ki Uta regarding the defined areas referred to as Harihari (Taharoa B block) to Tauhua (Kinohaku West no 1).

Recommendation

3. Having regard to all the above matters, it is recommended that you revise and reduce block 12WAI1 from 2738.6 km² to 486.6 km². The revised size and location of the block is indicated on page 15 of Part One of this report.

Request B: The exclusion of other sites within the block, i.e. Taumatatōtara west and Coutts road.

Reasons submitted for request B

In support of this exclusion request Hauāuru ki Uta state that there are sites of significance in these areas.

<i>Exclusion of other sites within the block, i.e. Taumatatōtara West and Coutts Road.</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Hauāuru ki Uta do not indicate what makes these other sites important to the mana of their iwi.
<i>Whether the area is a known wāhi tapu site;</i>	Hauāuru ki Uta state that there are sites of significance in the areas in which they are requesting exclusion.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	Hauāuru ki Uta have not commented on the uniqueness of the areas.
<i>Whether the importance of the area</i>	Officials have consulted the Office of Treaty

<i>to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and objections under other legislation;</i>	<p>Settlements (OTS), who advise that Hauāuru Ki Uta are associated with the Ngāti Maniapoto Māori Trust Board. OTS has identified that the Crown is either in active negotiations with or will enter negotiations with Maniapoto.</p> <p>The importance of the area is likely to be referred to in such negotiations but officials do not have any details at this stage.</p>
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	<p>See above.</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	<p>Officials have reviewed the Maniapoto Iwi Environmental Management Plan 2007 and note that while parts of the area requested for exclusion are identified as registered wāhi tapu with the Historic Places Trust, the recommended revision and reduction of block 12WAI1 mean those sites are now excluded from the block.</p>
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	<p>Given the size of the areas that Hauāuru ki Uta have identified for exclusion, it is not possible to determine the extent to which the landowner access veto right will apply.</p>
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i>	<p>The regulation of activities onshore and to the limit of the territorial sea (and their effects) is undertaken by consent authorities under the Resource Management Act 1991 (RMA). Onshore and offshore (out to 12 nautical miles) cultural sites do enjoy a substantive level of statutory protection under the RMA and through a range of local authority planning</p>

	<p>instruments and processes.</p> <p>Under section 6 of the RMA, all decision makers are required to recognise and provide for “the relationship of Māori and their culture and traditions with their ancestral lands, water sites, waahi tapu and other taonga” as a matter of national importance.</p> <p>The Waitomo District Plan 2009 provides substantive protection for the cultural sites referred to as Harihari to Tauhua, and other sites within the block, i.e. Taumatatōtara West and Coutts Road, in the control of activities that may adversely affect these resources. The sites are listed in Schedule 3 <i>Archaeological Sites</i> of section 21 <i>Heritage Resources</i> in the district plan. Any “alteration or destruction of any feature or site” identified in Schedule 3 has discretionary status (land use consent required). Moreover, Hauāuru Ki Uta is identified in Appendix 1 of the plan as a contact for Māori consultation.</p>
<i>The size of area and value of the potential resource affected if the area is excluded</i>	<p>Parts of block 12WAI1 are sought for exclusion.</p> <p>On review of the submissions received on 12WAI1, and a more precise assessment of the likely distribution and location of the resource, officials consider that the most prospective areas lie in a smaller area than that originally proposed.</p> <p>The value and prospectivity of the recommended revised and reduced 12WAI1 block is assessed in summary as follows:</p> <p>Potential exists in the 486.6 km² 12WAI1 block for coal seam gas. A 2008 study conducted by L&M indicates that 247 million tonnes of coal is present beneath sufficient cover to provide a coal seam gas resource. This block contains four coalfields and also borders the Waikato coalfields to the north. No conventional oil and gas is expected in the block.</p>
<i>Other relevant considerations</i>	<p>No other relevant considerations have been identified.</p>

Conclusion

1. Officials consider that 12WAI1 should be revised and reduced from 2738.6 km² to 486.6 km². This will address many of the concerns raised in the submissions received on 12WAI1 as the reduced block excludes a large number of sensitive areas. Officials have also conducted a more precise assessment of the likely distribution and location of the resource, and consider that the most prospective areas of the block lie in a smaller area than that originally proposed.
2. Officials note that the proposed block amendment is likely to significantly address the concerns raised by Hauāuru ki Uta regarding the other sites within the block i.e. Taumatatōtara West and Coutts Road.

Recommendation

3. Having regard to all the above matters, it is recommended that you revise and reduce block 12WAI1 from 2738.6 km² to 486.6 km². The revised size and location of the block is indicated on page 15 of Part One of this report.

Submission: 2

Iwi: Maniapoto Māori Trust Board (**MMTB**)

Representative Organisation/Person: Janise H Eketone, Chief Executive Officer

Date Received: 5 April 2012

Blocks affected: 12WAI1,12TAR12-12TAR14

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

MMTB are opposed to all mining exploration and prospecting applications or activities within their rohe. This has been treated as a request for an exclusion of blocks 12WAI1, 12TAR12-12TAR14 from Block Offer 2012.

Reasons submitted for request

In support of this exclusion request MMTB state that there are sites of significance and wāhi tapu within the lands proposed in the block offer for 2012.

<i>Exclusion of blocks 12WAI1, 12TAR12-12TAR14</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	MMTB state that there are sites of significance and wāhi tapu within lands proposed in the block offer for 2012.
<i>Whether the area is a known wāhi tapu site;</i>	As above.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	MMTB do not comment on the uniqueness of the area.
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and</i>	The Office of Treaty Settlements (OTS) has identified that the Crown is either in active negotiations with or will enter negotiations with Maniapoto. The importance of the area is likely to be referred to

<i>objections under other legislation;</i>	in such negotiations but officials do not have any details at this stage.
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	<p>As above.</p> <p>OTS advises that there are a number of iwi where the Crown is either in active negotiations with or will enter negotiations, in the Taranaki region, this includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki).</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	Officials have reviewed the Maniapoto Iwi Environmental Management Plan 2007 and note that while parts of the area requested for exclusion are identified as registered wāhi tapu with the Historic Places Trust, the recommended revision and reduction of block 12WAI1 is likely to significantly address the concerns raised by MMTB in relation to sites of significance within the block.
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	MMTB have not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of the access veto right under section 55.
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i>	While the areas sought to be excluded are likely to contain areas protected under other legislation, the MMTB have not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of any such protection.

	<p>For block 12WAI1, the regulation of activities onshore and to the limit of the territorial sea (and their effects) is undertaken by consent authorities under the Resource Management Act 1991 (RMA). Onshore and offshore (out to 12 nautical miles) cultural sites do enjoy a substantive level of statutory protection under the RMA and through a range of local authority planning instruments and processes.</p> <p>Under section 6 of the RMA, all decision makers are required to recognise and provide for “the relationship of Māori and their culture and traditions with their ancestral lands, water sites, waahi tapu and other taonga” as a matter of national importance.</p> <p>The regulation of potential adverse effects beyond the 12 nautical mile limit (including blocks 12TAR12-14) will be regulated under the new Exclusive Economic Zone legislation once it is enacted, under the Maritime Transport Act 1994, which regulates spill management, and through the safety case administered by the Department of Labour.</p>
<p><i>The size of area and value of the potential resource affected if the area is excluded</i></p>	<p>Blocks 12WAI1, 12TAR12-12TAR14 are sought for exclusion.</p> <p>On review of the submissions received on 12WAI1, and a more precise assessment of the likely distribution and location of the resource, officials consider that the most prospective areas lie in a smaller area than that originally proposed.</p> <p>The value and prospectivity of blocks 12WAI1, 12TAR12-12TAR14 are assessed in summary as follows:</p> <p>Potential exists in the 486.6 km² 12WAI1 block for coal seam gas. A 2008 study conducted by L&M indicates that 247 million tonnes of coal is present beneath sufficient cover to provide a coal seam gas resource. This block contains four coalfields and also borders the Waikato coalfields to the north. No conventional oil and gas is expected in the block.</p> <p>The 1337.45 km² 12TAR12 block is moderately prospective due to the close proximity of the Kora oil discovery and wells with good shows, it also borders the deepwater part of the basin being explored by Anadarko. The block has low coverage of 2D data</p>

	<p>and no 3D data.</p> <p>The 1016.73 km² 12TAR13 block is located 100km northwest of the Tui and Māui fields, and borders the deep-water portion of permit 38451. The area is prospective as other parts of the basin have demonstrated a working petroleum system. Several wells, some with good shows, have been drilled in the surrounding area, but none in the block boundary. Undrilled prospects are present in the block. This area has good coverage of modern 2D data but no 3D data.</p> <p>The 1363.52 km² 12TAR14 block is highly prospective. The acreage contains the Kora sub-commercial oil discovery and several wells have been drilled in the block, many of which have good shows. This area has excellent coverage of 2D data and partial coverage by 3D data.</p>
<i>Other relevant considerations</i>	No other relevant considerations have been identified.

Conclusion

4. Officials consider that 12WAI1 should be revised and reduced from 2738.6 km² to 486.6 km². This will address many of the concerns raised in the submissions received on 12WAI1 as the reduced block excludes a large number of sensitive areas. Officials have also conducted a more precise assessment of the likely distribution and location of the resource, and consider that the most prospective areas of the block lie in a smaller area than that originally proposed.
5. Officials note that the proposed amendment significantly addresses the concerns raised by MMTB as the revised block is much smaller than that originally proposed.
6. The wāhi tapu sites registered with the Historic Places Trust, as indicated in the Maniapoto Iwi Environmental Management Plan 2007, are excluded from the revised block.

Recommendation

7. Having regard to all the above matters, it is recommended that you revise and reduce block 12WAI1 from 2738.6 km² to 486.6 km². The revised size and location of the block is indicated on page 15 of Part One of this report.
8. In addition, it is recommended that you do not exclude blocks 12TAR12-12TAR14 from Block Offer 2012 as a result of MMTB's submission.

Submission: 3

Iwi: Ngāti Haua

Representative Organisation/Person: Cilla Rei

Date Received: 4 April 2012

Blocks affected: 12TAR2-12TAR10

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

Ngāti Haua object to oil and mineral exploration in the South Taranaki area. This has been treated as a request for an exclusion of blocks 12TAR2 to 12TAR10.

<i>Exclusion of South Taranaki blocks (12TAR2 – 12TAR10)</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Ngāti Haua do not identify any individual areas within their rohe of particular importance or uniqueness (whether known wāhi tapu or otherwise).
<i>Whether the area is a known wāhi tapu site;</i>	As above.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	As above.
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and objections under other legislation;</i>	Officials have consulted the Office of Treaty Settlements. Ngāti Haua are a hapū of Ngāruahine and the Crown is in active negotiations with Ngāruahine represented by Ngā Hapū o Ngāruahine Inc. The importance of the area is likely to be referred to in these negotiations but officials do not have any specific details at this stage.
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	OTS advises that there are a number of iwi where the Crown is either in active negotiations with or will enter negotiations, and in the Taranaki region, this includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki). Under the Petroleum Act 1937 petroleum was

	<p>declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	Inquiries have been made of the Taranaki Regional Council and officials are advised that it does not have an iwi management plan for Ngāti Haua on file.
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	Ngāti Haua have not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of the access veto right under section 55.
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i>	<p>While the areas sought to be excluded are likely to contain areas protected under other legislation Ngāti Haua have not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of any such protection.</p> <p>The regulation of activities onshore and to the limit of the territorial sea (and their effects) is undertaken by consent authorities under the Resource Management Act 1991 (RMA). Onshore and offshore (out to 12 nautical miles) cultural sites do enjoy a substantive level of statutory protection under the RMA and through a range of local authority planning instruments and processes.</p> <p>Under section 6 of the RMA, all decision makers are required to recognise and provide for "the relationship of Māori and their culture and traditions with their ancestral lands, water sites, waahi tapu and other taonga" as a matter of national importance.</p> <p>For 12TAR8 (in part) and 12TAR9-12TAR10 the</p>

	<p>regulation of potential adverse effects beyond the 12 nautical mile limit will be regulated under the new Exclusive Economic Zone legislation once it is enacted, under the Maritime Transport Act 1994, which regulates spill management, and through the safety case administered by the Department of Labour.</p>
<p><i>The size of area and value of the potential resource affected if the area is excluded</i></p>	<p>The entire blocks 12TAR2-12TAR10 are sought for exclusion.</p> <p>Following the grant of an Extension of Duration over Petroleum Exploration Permit 381203, and the resulting relinquishment of part of this permit area, it is recommended that the western boundary of block 12TAR8 be redefined in a graticular format to be consistent with in house policy on petroleum permitting.</p> <p>The value and prospectivity of the recommended revised 12TAR8 block is assessed in summary as follows:</p> <p>The 524.69 km² 12TAR8 block is prospective as it is located above a hydrocarbon kitchen, but deep burial of potential reservoir rocks may inhibit exploration. Some industry interest has been expressed in the acreage. The close proximity of the Māui gas/condensate field and good shows in wells in adjacent blocks proves all the ingredients are present for a discovery. This area has moderate vintage 2D seismic coverage but no modern data.</p> <p>The value and prospectivity of blocks 12TAR2-12TAR7 and 12TAR9-12TAR10 is assessed in summary as follows:</p> <p>Block 12TAR2 is prospective for oil discoveries. The block borders the producing Kaimiro field, and geology similar to that found in this field is likely. Some prospectivity also exists for deep gas/condensate. Good 2D seismic coverage is available with a modern 2D seismic survey at the south of the block. 3D datasets are available in neighbouring permits.</p> <p>The 15.84 km² 12TAR3 block borders producing fields and discoveries on all sides. The block is highly prospective, bordering multiple small to</p>

	<p>medium oil and gas fields, including the Cheal, Waihapa, Ahuroa and Radnor. There is good potential for an oil and gas discovery, and a short distance to infrastructure would make small finds economic. Moderate vintage 2D seismic coverage is present and modern 3D coverage is available over much of the block.</p> <p>The 24.92 km² 12TAR4 block borders producing fields and discoveries on all sides. These are small to medium oil and gas fields, including the Cheal, Waihapa, Ahuroa and Radnor, and indicate this area is highly prospective. Multiple operators have requested that this area be included in the block offer. A short distance to infrastructure would make small discoveries economic. Moderate vintage 2D seismic coverage is present and modern 3D coverage is available over much of the permit.</p> <p>While there have been no wells drilled in the block, producing fields border the 4.46 km² 12TAR5 block on three sides. The close proximity of the Cheal and Copper Moki oil discoveries make this area highly prospective. Potential for oil and gas discoveries is high, and a short distance to infrastructure would make small finds economic. This block has 3D data coverage and some older 2D data.</p> <p>The close proximity of the giant Kāpuni gas/condensate field and good shows in wells to the west make the 106.54 km² 12TAR6 block prospective for oil and gas. Gas chimneys are visible in seismic, and shows the area has access to hydrocarbon charge. This block has moderate 2D seismic coverage but no modern data post 1995.</p> <p>The 110.99 km² 12TAR7 block contains some prospectivity, but deep burial of potential reservoir rocks may inhibit exploration in the block. The area has moderate to low 2D seismic coverage and no wells have been drilled in the block. Some industry interest has been expressed in the area.</p> <p>Prospectivity was previously downgraded in the 2475.34 km² 12TAR9 block due to the result at Hector-1 (dry well), but oil shows in nearby wells show that a petroleum system is active in the area. Seismic coverage consists of multiple modern 2D</p>
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	<p>surveys and a 3D survey over part of the block. These surveys indicate that undrilled prospects remain in the block, and potential for hydrocarbon discovery remains.</p> <p>Oil shows in the nearby Kiwa-1 well and the highly productive Tui field to the east of the 751.25 km² 12TAR10 block show that a petroleum system is active in the area. Seismic coverage consists of multiple modern 2D surveys, which indicate large undrilled prospects, such as Tikati and Tāmure, remain in the block, and potential remains for oil and gas discoveries.</p>
<i>Other relevant considerations</i>	No other relevant considerations have been identified.

Conclusion

1. Officials acknowledge Ngāti Haua's objections to oil and mineral exploration in the South Taranaki area. While officials respect that this is their position, officials do not consider this is a proper basis to exclude particular areas from any particular block or blocks.
2. Ngāti Haua has not identified any specific important sites within these blocks that require protection and it is not therefore practicable to assess these areas to determine the extent or effect of any landowner veto rights or existing statutory protections.

Recommendation

3. Having regard to the above matters, it is recommended that you do not exclude blocks 12TAR2-12TAR10 from Block Offer 2012 as a result of Ngāti Haua's submission.

Submission: 4

Iwi: Ngāti Te Wehi

Representative Organisation/Person: Gina Mahara

Date Received: 2 April 2012

Blocks affected: 12WAI1, 12TAR12-12TAR14

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

Ngāti Te Wehi are opposed to exploration and mining in its rohe. This has been treated as a request for an exclusion of blocks 12WAI1, 12TAR12, 12TAR13 and 12TAR14.

Reasons submitted for request

In support of this exclusion request Ngāti Te Wehi have submitted that:

- a. Their rohe should be protected based on mana whenua and mana moana.
- b. The environmental effects of activities associated with a permit should be considered, including potential effects on marine wildlife.
- c. Iwi fishing rights and customary title claims in the area must be considered.

<i>Exclusion of blocks 12WAI1, 12TAR12-12TAR14.</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Ngāti Te Wehi do not identify any specific areas within their rohe that require protection. Their submission rather raises a global concern in relation to their rohe and the effects of petroleum exploration on it.
<i>Whether the area is a known wāhi tapu site;</i>	As above.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	As above.
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by</i>	Officials have consulted the Office of Treaty Settlements (OTS). Ngāti Te Wehi are not currently in negotiations but are in the process of developing a

<i>Treaty claims and settlements and objections under other legislation;</i>	mandate strategy. As a result, officials do not have any details relating to whether the importance of the area to Ngāti Te Wehi has already been demonstrated.
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	<p>As above.</p> <p>OTS advises that there are a number of iwi where the Crown is either in active negotiations with or will enter negotiations, and in the Taranaki region, this includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki).</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	Inquiries have been made of the Taranaki Regional Council and officials are advised that it does not have an iwi management plan for Ngāti Te Wehi on file.
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	Ngāti Te Wehi have not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of the access veto right under section 55.
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i>	<p>While the areas sought to be excluded are likely to contain areas protected under other legislation Ngāti Te Wehi have not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of any such protection.</p> <p>The regulation of activities onshore and to the limit of</p>

	<p>the territorial sea (and their effects) is undertaken by consent authorities under the Resource Management Act 1991 (RMA). Onshore and offshore (out to 12 nautical miles) cultural sites do enjoy a substantive level of statutory protection under the RMA and through a range of local authority planning instruments and processes. This is reflected in the recognition and protection of such sites in District Plans (i.e., the Waikato District Plan; the Otorohanga District Plan; and the Waipa District Plan).</p> <p>The regulation of potential adverse effects beyond the 12 nautical mile limit will be regulated under the new Exclusive Economic Zone legislation once it is enacted, under the Maritime Transport Act 1994, which regulates spill management, and through the safety case administered by the Department of Labour.</p>
<p><i>The size of area and value of the potential resource affected if the area is excluded</i></p>	<p>The entire blocks 12WAI1, 12TAR12-12TAR14 are sought for exclusion.</p> <p>On review of the submissions received on 12WAI1, and a more precise assessment of the likely distribution and location of the resource, officials consider that the most prospective areas lie in a smaller area than that originally proposed.</p> <p>The value and prospectivity of the recommended revised and reduced 12WAI1 block is assessed in summary as follows:</p> <p>Potential exists in the 486.6 km² 12WAI1 block for coal seam gas. A 2008 study conducted by L&M indicates that 247 million tonnes of coal is present beneath sufficient cover to provide a coal seam gas resource. This block contains four coalfields and also borders the Waikato coalfields to the north. No conventional oil and gas is expected in the block.</p> <p>The value and prospectivity of blocks 12TAR12-12TAR14 are assessed in summary as follows:</p> <p>The 1337.45 km² 12TAR12 block is moderately prospective due to the close proximity of the Kora oil discovery and wells with good shows, it also borders the deepwater part of the basin being explored by Anadarko. The block has low coverage of 2D data</p>

	<p>and no 3D data.</p> <p>The 1016.73 km² 12TAR13 block is located 100km northwest of the Tui and Māui fields, and borders the deep-water portion of permit 38451. The area is prospective as other parts of the basin have demonstrated a working petroleum system. Several wells, some with good shows, have been drilled in the surrounding area, but none in the block boundary. Undrilled prospects are present in the block. This area has good coverage of modern 2D data but no 3D data.</p> <p>The 1363.52 km² 12TAR14 block is highly prospective. The acreage contains the Kora sub-commercial oil discovery and several wells have been drilled in the block, many of which have good shows. This area has excellent coverage of 2D data and partial coverage by 3D data.</p>
<i>Other relevant considerations</i>	No other relevant considerations have been identified.

Conclusion

1. Officials acknowledge the concerns expressed by Ngāti Te Wehi in relation to petroleum exploration and mining in their rohe. However, specific exploration activities and their effects on the environment are regulated under other legislation rather than under the Crown Minerals Act 1991 and it would not therefore be appropriate to remove blocks 12WAI1, 12TAR12-12TAR14 from the Block Offer for this reason.
2. Secondly, Ngāti Te Wehi have not identified any specific sites within their rohe that require particular protection, rather they have made their submission on a rohe-wide basis which prevents a full evaluation being done under paragraph 3.12 of the Minerals Programme for Petroleum.
3. Officials consider that 12WAI1 should be revised and reduced from 2738.6 km² to 486.6 km². This will address many of the concerns raised in the submissions received on 12WAI1 as the reduced block excludes a large number of sensitive areas. Officials have also conducted a more precise assessment of the likely distribution and location of the resource, and consider that the most prospective areas of the block lie in a smaller area than that originally proposed.

4. Officials note that the proposed amendment significantly addresses the concerns raised by Ngāti Te Wehi in relation to block 12WAI1 as the proposed revised block is much smaller than that originally proposed.

Recommendation

5. Having regard to all the above matters, it is recommended that you do not exclude blocks 12TAR12-12TAR14 from Block Offer 2012 as a result of the Ngāti Te Wehi's submission.
6. In addition it is recommended that you revise and reduce 12WAI1 from 2738.6 km² to 486.6 km². The revised size and location of the block is indicated on page 15 of Part One of this report.

Submission: 7

Iwi: Ngā Hapū o Poutama

Representative Organisation/Person: Russell Gibbs, RMA Contact

Date Received: 5 April 2012

Blocks affected: 12TAR1, 12TAR2 and 12TAR10-12TAR14

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

Ngā Hapū o Poutama submitted that they are: “*opposed to offshore mining and drilling in its rohe and area of interest, particularly in Blocks 12TAR11, 12TAR12, 12TAR13, and 12TAR14.*”

This has been treated as a request for an exclusion of these blocks, as well as blocks 12TAR1, 12TAR2 and 12TAR10 located in the Ngā Hapū o Poutama rohe, from Block Offer 2012.

<i>Exclusion of blocks 12TAR1, 12TAR2 and 12TAR10-12TAR14</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Ngā Hapū o Poutama do not identify any individual areas within their rohe of particular importance or uniqueness (whether known wāhi tapu or otherwise). However, they state that they have the right to own, control, and use their land, seas, waterways and other resources and that they intend to exercise their rights as rangātira and kaitiaki within these resources. This position is reaffirmed in a document prepared by Nga Hapū o Poutama entitled ‘Te Whakapuakitanga o Poutama 2010’, referred to in their submission.
<i>Whether the area is a known wāhi tapu site;</i>	Ngā Hapū o Poutama do not identify any areas of wāhi tapu within the blocks.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	Ngā Hapū o Poutama have not commented on the uniqueness of the area.
<i>Whether the importance of the area</i>	Officials have consulted the Office of Treaty

<i>to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and objections under other legislation;</i>	<p>Settlements (OTS). Claims relating to Ngā Hapū Poutama relating to Ngāti Tama have been settled through the Ngāti Tama Claims Settlement Act. Any outstanding claims will be dealt with in the Ngāti Maniapoto settlement.</p> <p>Officials have not been provided with information on the content of the negotiations and whether these areas have been identified as being of particular importance.</p>
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	<p>As above.</p> <p>OTS advises that there are a number of iwi where the Crown is either in active negotiations with or will enter negotiations, and in the Taranaki region, this includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki).</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	<p>Inquiries have been made of the Taranaki Regional Council and officials are advised that it does not have an iwi management plan for Ngā Hapū o Poutama on file.</p>
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	<p>Ngā Hapū o Poutama have not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of the access veto right under section 55.</p>
<i>Whether the area is already protected under other legislation,</i>	<p>While the areas sought to be excluded are likely to contain areas protected under other legislation, Ngā</p>

<p><i>for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i></p>	<p>Hapū o Poutama have not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of any such protection.</p> <p>However, historically and culturally significant sites across the region do enjoy significant levels of protection through instruments under the Resource Management Act 1991. As example, the New Plymouth District Plan contains <i>Appendix 26: Waahi Tapu sites & Archaeological Sites</i>. This is an inventory of 771 sites and the plan then controls disturbance activities in connection with the sites, so that a resource consent application is required and iwi/Hapū may be considered an affected party.</p> <p>The submission from New Plymouth District Council indicates that there are currently in excess of 770 Wāhi Tapu sites scheduled and mapped in the District Plan, and that the Council is currently undertaking a comprehensive review of all known sites of significance which indicates the likelihood of in excess of 1000 sites within the district recorded at the end of the review process.</p> <p>For blocks 12TAR10-12TAR14, the regulation of potential adverse effects beyond the 12 nautical mile limit will be regulated under the new Exclusive Economic Zone legislation once it is enacted, under the Maritime Transport Act 1994, which regulates spill management, and through the safety case administered by the Department of Labour.</p>
<p><i>The size of area and value of the potential resource affected if the area is excluded</i></p>	<p>The entire blocks 12TAR1, 12TAR2 and 12TAR10-12TAR14 are sought for exclusion.</p> <p>The value and prospectivity of the areas are assessed in summary as follows:</p> <p>Block 12TAR1 is prospective for oil and gas as it is likely to have similar geology to the producing Moturoa and Kaimiro fields that border the block. The close proximity of the block to the Kowhai and Mangahewa fields suggests potential also exists for deeper gas/condensate discoveries. The block has moderate 2D seismic coverage but little data post 1994.</p> <p>Block 12TAR2 is prospective for oil discoveries. The</p>

	<p>block borders the producing Kaimiro field, and geology similar to that found in this field is likely. Some prospectivity also exists for deep gas/condensate. Good 2D seismic coverage is available with a modern 2D seismic survey at the south of the block. 3D datasets are available in neighbouring permits.</p> <p>Oil shows in the nearby Kiwa-1 well and the highly productive Tui field to the east of the 751.25 km² 12TAR10 block show that a petroleum system is active in the area. Seismic coverage consists of multiple modern 2D surveys, which indicate large undrilled prospects, such as Tikati and Tāmure, remain in the block, and potential remains for oil and gas discoveries.</p> <p>Prospectivity was previously downgraded in the 1181.87 km² 12TAR11 block due to the results of the Hoki-1 well, drilled in 2010, which contained no oil or gas shows. Further analysis is needed to ascertain the cause of this, but some potential may remain in the acreage. The block has dense coverage of modern 2D seismic data.</p> <p>The 1337.45 km² 12TAR12 block is moderately prospective due to the close proximity of the Kora oil discovery and wells with good shows, it also borders the deepwater part of the basin being explored by Anadarko. The block has low coverage of 2D data and no 3D data.</p> <p>The 1016.73 km² 12TAR13 block is located 100km northwest of the Tui and Māui fields, and borders the deep-water portion of permit 38451. The area is prospective as other parts of the basin have demonstrated a working petroleum system. Several wells, some with good shows, have been drilled in the surrounding area, but none in the block boundary. Undrilled prospects are present in the block. This area has good coverage of modern 2D data but no 3D data.</p> <p>The 1363.52 km² 12TAR14 block is highly prospective. The acreage contains the Kora sub-commercial oil discovery and several wells have been drilled in the block, many of which have good shows. This area has excellent coverage of 2D data</p>
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	and partial coverage by 3D data.
<i>Other relevant considerations</i>	No other relevant considerations have been identified.

Conclusion

1. Ngā Hapū o Poutama has not identified any specific important sites within the blocks that require protection and it is not therefore practicable to assess these areas to determine the extent or effect of any landowner veto rights or existing statutory protections.
2. To the extent that particular sites are identified after the block has been awarded they should be the subject of discussions with the permit holder. Officials note that these discussions should occur through the expectations envisaged of permit holders through the Block Offer Notice that relates to engagement with iwi. Such engagement will relate to sites of importance to iwi/hapū.

Recommendation

3. Having regard to the above matters, it is recommended that you do not exclude blocks 12TAR1, 12TAR2 and 12TAR10-12TAR14 from Block Offer 2012 as a result of Ngā Hapū o Poutama's submission.

Submission: 8

Iwi: Ngāruahine Iwi Authority

Representative Organisation/Person: Ngāruahine Iwi Authority

Date Received: 4 April 2012

Blocks affected: All Taranaki blocks (12TAR1-12TAR14)

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

The Ngāruahine Iwi Authority submitted that all Taranaki Blocks must be excluded from the 2012 minerals block offers.

Reasons submitted for request

In support of this exclusion request Ngāruahine Iwi Authority:

- a. reaffirm Mana Whenua rights to their territory;
- b. state that they prohibit the Ministry from expropriating “*any of our minerals within our territory*”; and
- c. state that they do not recognise or accept petroleum being the property of the Crown.

<i>Exclusion of all Taranaki blocks (12TAR1-12TAR14)</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Ngāruahine Iwi Authority do not identify any individual areas within their rohe of particular importance or uniqueness (whether known wāhi tapu or otherwise).
<i>Whether the area is a known wāhi tapu site;</i>	As above.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	As above.
<i>Whether the importance of the area to iwi and Hapū has already been</i>	Officials have consulted the Office of Treaty Settlements (OTS). The Crown is in active

<i>demonstrated, for example by Treaty claims and settlements and objections under other legislation;</i>	<p>negotiations with Ngāruahine represented by Nga Hapū o Ngāruahine Inc and Ngāruahine is one of the claimants in Wai 796.</p> <p>The importance of the area is likely to be referred to in these negotiations but officials do not have any specific details at this stage.</p>
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	<p>As above.</p> <p>OTS advises that there are a number of iwi where the Crown is either in active negotiations with or will enter negotiations, and in the Taranaki region, this includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki).</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	<p>Inquiries have been made of the Taranaki Regional Council and officials are advised that it does not have a finalised iwi management plan for Ngāruahine Iwi Authority.</p>
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	<p>Ngāruahine Iwi Authority has not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of the access veto right under section 55.</p>
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic</i>	<p>While the areas sought to be excluded are likely to contain areas protected under other legislation, Ngāruahine Iwi Authority has not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess</p>

<p><i>Places Act 1993; and</i></p>	<p>the extent or effect of any such protection.</p> <p>Ngāruahine Iwi Authority has sought exclusion of all Taranaki Blocks from the 2012 Block Offers on the basis of their view that the Crown has appropriated their petroleum resources.</p> <p>The regulation of activities onshore and to the limit of the territorial sea (and their effects) is undertaken by consent authorities under the Resource Management Act 1991 (RMA). Onshore and offshore (out to 12 nautical miles) cultural sites do enjoy a substantive level of statutory protection under the RMA and through a range of local authority planning instruments and processes.</p> <p>For TAR8 (in part) and TAR9-TAR14 the regulation of potential adverse effects beyond the 12 nautical mile limit will be regulated under the new Exclusive Economic Zone legislation once it is enacted, under the Maritime Transport Act 1994, which regulates spill management, and through the safety case administered by the Department of Labour.</p>
<p><i>The size of area and value of the potential resource affected if the area is excluded</i></p>	<p>The entire blocks 12TAR1-12TAR14 are sought for exclusion.</p> <p>Following the grant of an Extension of Duration over Petroleum Exploration Permit 381203, and the resulting relinquishment of part of this permit area, it is recommended that the western boundary of block 12TAR8 be redefined in a graticular format to be consistent with in house policy on petroleum permitting.</p> <p>The value and prospectivity of the recommended revised 12TAR8 block is assessed in summary as follows:</p> <p>The 524.69 km² 12TAR8 block is prospective as it is located above a hydrocarbon kitchen, but deep burial of potential reservoir rocks may inhibit exploration. Some industry interest has been expressed in the acreage. The close proximity of the Māui gas/condensate field and good shows in wells in adjacent blocks proves all the ingredients are present for a discovery. This area has moderate vintage 2D seismic coverage but no modern data.</p>

	<p>The value and prospectivity of blocks 12TAR1-12TAR7 and 12TAR9-12TAR14 are assessed in summary as follows:</p> <p>Block 12TAR1 is prospective for oil and gas as it is likely to have similar geology to the producing Moturoa and Kaimiro fields that border the block. The close proximity of the block to the Kowhai and Mangahewa fields suggests potential also exists for deeper gas/condensate discoveries. The block has moderate 2D seismic coverage but little data post 1994.</p> <p>Block 12TAR2 is prospective for oil discoveries. The block borders the producing Kaimiro field, and geology similar to that found in this field is likely. Some prospectivity also exists for deep gas/condensate. Good 2D seismic coverage is available with a modern 2D seismic survey at the south of the block. 3D datasets are available in neighbouring permits.</p> <p>The 15.84 km² 12TAR3 block borders producing fields and discoveries on all sides. The block is highly prospective, bordering multiple small to medium oil and gas fields, including the Cheal, Waihapa, Ahuroa and Radnor. There is good potential for an oil and gas discovery, and a short distance to infrastructure would make small finds economic. Moderate vintage 2D seismic coverage is present and modern 3D coverage is available over much of the block.</p> <p>The 24.92 km² 12TAR4 block borders producing fields and discoveries on all sides. These are small to medium oil and gas fields, including the Cheal, Waihapa, Ahuroa and Radnor, and indicate this area is highly prospective. Multiple operators have requested that this area be included in the block offer. A short distance to infrastructure would make small discoveries economic. Moderate vintage 2D seismic coverage is present and modern 3D coverage is available over much of the permit.</p> <p>While there have been no wells drilled in the block, producing fields border the 4.46 km² 12TAR5 block on three sides. The close proximity of the Cheal and Copper Moki oil discoveries make this area highly</p>
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	<p>prospective. Potential for oil and gas discoveries is high, and a short distance to infrastructure would make small finds economic. This block has 3D data coverage and some older 2D data.</p> <p>The close proximity of the giant Kāpuni gas/condensate field and good shows in wells to the west make the 106.54 km² 12TAR6 block prospective for oil and gas. Gas chimneys are visible in seismic, and shows the area has access to hydrocarbon charge. This block has moderate 2D seismic coverage but no modern data post 1995.</p> <p>The 110.99 km² 12TAR7 block contains some prospectivity, but deep burial of potential reservoir rocks may inhibit exploration in the block. The area has moderate to low 2D seismic coverage and no wells have been drilled in the block. Some industry interest has been expressed in the area.</p> <p>Prospectivity was previously downgraded in the 2475.34 km² 12TAR9 block due to the result at Hector-1 (dry well), but oil shows in nearby wells show that a petroleum system is active in the area. Seismic coverage consists of multiple modern 2D surveys and a 3D survey over part of the block. These surveys indicate that undrilled prospects remain in the block, and potential for hydrocarbon discovery remains.</p> <p>Oil shows in the nearby Kiwa-1 well and the highly productive Tui field to the east of the 751.25 km² 12TAR10 block show that a petroleum system is active in the area. Seismic coverage consists of multiple modern 2D surveys, which indicate large undrilled prospects, such as Tīkati and Tāmure, remain in the block, and potential remains for oil and gas discoveries.</p> <p>Prospectivity was previously downgraded in the 1181.87 km² 12TAR11 block due to the results of the Hoki-1 well, drilled in 2010, which contained no oil or gas shows. Further analysis is needed to ascertain the cause of this, but some potential may remain in the acreage. The block has dense coverage of modern 2D seismic data.</p> <p>The 1337.45 km² 12TAR12 block is moderately prospective due to the close proximity of the Kora oil</p>
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	<p>discovery and wells with good shows, it also borders the deepwater part of the basin being explored by Anadarko. The block has low coverage of 2D data and no 3D data.</p> <p>The 1016.73 km² 12TAR13 block is located 100km northwest of the Tui and Māui fields, and borders the deep-water portion of permit 38451. The area is prospective as other parts of the basin have demonstrated a working petroleum system. Several wells, some with good shows, have been drilled in the surrounding area, but none in the block boundary. Undrilled prospects are present in the block. This area has good coverage of modern 2D data but no 3D data.</p> <p>The 1363.52 km² 12TAR14 block is highly prospective. The acreage contains the Kora sub-commercial oil discovery and several wells have been drilled in the block, many of which have good shows. This area has excellent coverage of 2D data and partial coverage by 3D data.</p>
<i>Other relevant considerations</i>	No other relevant considerations have been identified.

Conclusion

1. Ngāruahine Iwi Authority do not accept the legitimacy of the legal regime for Crown ownership and management of petroleum. While officials respect that this is their position, officials do not consider this is a proper basis to exclude particular areas from any particular block or blocks, given the Crown's ownership of petroleum.
2. Moreover the submitter has not identified any specific important sites within these blocks that require protection and it is not therefore practicable to assess these areas to determine the extent or effect of any landowner veto rights or existing statutory protections.
3. To the extent that particular sites are identified after the block has been awarded they should be the subject of discussions with the permit holder. Officials note that these discussions should occur through the expectations envisaged of permit holders through the Block Offer Notice that relates to engagement with iwi. Such engagement will relate to sites of importance to iwi/hapū.

Recommendation

4. Having regard to the above matters, it is recommended that you do not exclude blocks 12TAR1-12TAR14 from Block Offer 2012 as a result of Ngāruahine Iwi Authority's submission.

Submission: 10

Iwi: Ngāti Tūpaia Hapū

Representative Organisation/Person: Aroha Houston, Secretary

Date Received: 4 April 2012

Blocks affected: 12TAR2-12TAR10

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

Ngāti Tūpaia Hapū object to the Ministry of Economic Development's block offer in South Taranaki in 2012. This has been treated as a request for an exclusion of blocks 12TAR2-12TAR10.

<i>Exclusion of South Taranaki blocks (blocks 12TAR2-12TAR10)</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Ngāti Tūpaia Hapū do not identify any individual areas within these blocks of particular importance or uniqueness (whether known wāhi tapu or otherwise).
<i>Whether the area is a known wāhi tapu site;</i>	As above.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	As above.
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and objections under other legislation;</i>	Officials have consulted the Office of Treaty Settlements (OTS). Ngāti Tūpaia Hapū are a hapū of Ngāruahine. The Crown is in active negotiations with Ngāruahine, through Nga Hapū o Ngāruahine. Officials envisage that these areas will be the subject of those negotiations but is not aware of the details at this stage. Ngāruahine is one of the claimants in Wai 796.
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of</i>	As above. OTS advises that there are a number of iwi where the Crown is either in active negotiations with or will enter negotiations, and in the Taranaki region, this

<p><i>grievances under the Treaty;</i></p>	<p>includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki).</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<p><i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i></p>	<p>Inquiries have been made of the Taranaki Regional Council and officials are advised that it does not hold an iwi management plan for Ngāti Tūpaia Hapū.</p>
<p><i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i></p>	<p>Ngāti Tūpaia Hapū have not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of the access veto right under section 55.</p>
<p><i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i></p>	<p>While the areas sought to be excluded are likely to contain areas protected under other legislation Ngāti Tūpaia Hapū have not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of any such protection.</p> <p>Sites of importance to Ngāti Tūpaia Hapū onshore and within 12 nautical miles do enjoy a substantive level of statutory protection under the Resource Management Act 1991 and through a range of local authority planning instruments and processes. For example, the South Taranaki District Plan provides such at sections 2 & 15, Schedules I & VII, and Appendix V.</p> <p>For 12TAR8 (in part) and 12TAR9-12TAR10 the regulation of potential adverse effects beyond the 12</p>

	<p>nautical mile limit will be regulated under the new Exclusive Economic Zone legislation once it is enacted, under the Maritime Transport Act 1994, which regulates spill management, and through the safety case administered by the Department of Labour.</p>
<p><i>The size of area and value of the potential resource affected if the area is excluded</i></p>	<p>The entire blocks 12TAR2-12TAR10 are sought for exclusion.</p> <p>Following the grant of an Extension of Duration over Petroleum Exploration Permit 381203, and the resulting relinquishment of part of this permit area, it is recommended that the western boundary of block 12TAR8 be redefined in a graticular format to be consistent with in house policy on petroleum permitting.</p> <p>The value and prospectivity of the recommended revised 12TAR8 block is assessed in summary as follows:</p> <p>The 524.69 km² 12TAR8 block is prospective as it is located above a hydrocarbon kitchen, but deep burial of potential reservoir rocks may inhibit exploration. Some industry interest has been expressed in the acreage. The close proximity of the Māui gas/condensate field and good shows in wells in adjacent blocks proves all the ingredients are present for a discovery. This area has moderate vintage 2D seismic coverage but no modern data.</p> <p>The value and prospectivity of blocks 12TAR2-12TAR7 and 12TAR9-12TAR10 is assessed in summary as follows:</p> <p>Block 12TAR2 is prospective for oil discoveries. The block borders the producing Kaimiro field, and geology similar to that found in this field is likely. Some prospectivity also exists for deep gas/condensate. Good 2D seismic coverage is available with a modern 2D seismic survey at the south of the block. 3D datasets are available in neighbouring permits.</p> <p>The 15.84 km² 12TAR3 block borders producing fields and discoveries on all sides. The block is highly prospective, bordering multiple small to medium oil and gas fields, including the Cheal,</p>

	<p>Waihapa, Ahuroa and Radnor. There is good potential for an oil and gas discovery, and a short distance to infrastructure would make small finds economic. Moderate vintage 2D seismic coverage is present and modern 3D coverage is available over much of the block.</p> <p>The 24.92 km² 12TAR4 block borders producing fields and discoveries on all sides. These are small to medium oil and gas fields, including the Cheal, Waihapa, Ahuroa and Radnor, and indicate this area is highly prospective. Multiple operators have requested that this area be included in the block offer. A short distance to infrastructure would make small discoveries economic. Moderate vintage 2D seismic coverage is present and modern 3D coverage is available over much of the permit.</p> <p>While there have been no wells drilled in the block, producing fields border the 4.46 km² 12TAR5 block on three sides. The close proximity of the Cheal and Copper Moki oil discoveries make this area highly prospective. Potential for oil and gas discoveries is high, and a short distance to infrastructure would make small finds economic. This block has 3D data coverage and some older 2D data.</p> <p>The close proximity of the giant Kāpuni gas/condensate field and good shows in wells to the west make the 106.54 km² 12TAR6 block prospective for oil and gas. Gas chimneys are visible in seismic, and shows the area has access to hydrocarbon charge. This block has moderate 2D seismic coverage but no modern data post 1995.</p> <p>The 110.99 km² 12TAR7 block contains some prospectivity, but deep burial of potential reservoir rocks may inhibit exploration in the block. The area has moderate to low 2D seismic coverage and no wells have been drilled in the block. Some industry interest has been expressed in the area.</p> <p>Prospectivity was previously downgraded in the 2475.34 km² 12TAR9 block due to the result at Hector-1 (dry well), but oil shows in nearby wells show that a petroleum system is active in the area. Seismic coverage consists of multiple modern 2D surveys and a 3D survey over part of the block.</p>
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	<p>These surveys indicate that undrilled prospects remain in the block, and potential for hydrocarbon discovery remains.</p> <p>Oil shows in the nearby Kiwa-1 well and the highly productive Tui field to the east of the 751.25 km² 12TAR10 block show that a petroleum system is active in the area. Seismic coverage consists of multiple modern 2D surveys, which indicate large undrilled prospects, such as Tīkati and Tāmure, remain in the block, and potential remains for oil and gas discoveries.</p>
<i>Other relevant considerations</i>	No other relevant considerations have been identified.

Conclusion

1. Ngāti Tūpaia Hapū have not identified any specific important sites within these blocks that require protection and it is not therefore practicable to assess these areas to determine the extent or effect of any landowner veto rights or existing statutory protections.
2. To the extent that particular sites are identified after the block has been awarded they should be the subject of discussions with the permit holder. Officials note that these discussions should occur through the expectations envisaged of permit holders through the Block Offer Notice that relates to engagement with iwi. Such engagement will relate to sites of importance to iwi/hapū.

Recommendation

3. Having regard to the above matters, it is recommended that you do not exclude blocks 12TAR2-12TAR10 from Block Offer 2012 as a result of the Ngāti Tūpaia Hapū submission.

Submission: 11

Iwi: Ōkahu/Inuāwai Hapū

Representative Organisation/Person: Mere Brooks

Date Received: 4 April 2012

Block(s) affected: 12TAR2-12TAR10

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

Ōkahu/Inuāwai Hapū object to the Block Offer 2012 on the grounds of wāhi tapu, whakapapa and as part of their treaty interest as per the Waitangi Tribunal. This has been treated as a request for an exclusion of blocks 12TAR2-12TAR10 from Block Offer 2012.

<i>Exclusion of South Taranaki blocks (blocks 12TAR2-12TAR10)</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Ōkahu/Inuāwai Hapū do not identify any individual areas within these blocks of particular importance or uniqueness (whether known wāhi tapu or otherwise).
<i>Whether the area is a known wāhi tapu site;</i>	As above.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	As above.
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and objections under other legislation;</i>	Officials have consulted the Office of Treaty Settlements (OTS). Ōkahu/Inuāwai Hapū are a Hapū of Ngāruahine. The Crown is in active negotiations with Ngāruahine represented by Nga Hapū o Ngāruahine Inc. Officials envisage that these areas will be the subject of those negotiations but is not aware of the specific details at this stage. Ngāruahine is one of the claimants in Wai 796.
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of</i>	As above. OTS advises that there are a number of iwi where the Crown is either in active negotiations with or will enter negotiations, and in the Taranaki region, this

<p><i>grievances under the Treaty;</i></p>	<p>includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki).</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<p><i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i></p>	<p>Inquiries have been made of the Taranaki Regional Council and officials are advised that it does not have an iwi management plan for Ōkahu/Inuāwai Hapū on file.</p>
<p><i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i></p>	<p>Ōkahu/Inuāwai Hapū have not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of the access veto right under section 55.</p>
<p><i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i></p>	<p>Ōkahu/Inuāwai Hapū has sought exclusion of 12TAR2- 12TAR10 on the grounds of wāhi tapu, whakapapa and as part of their treaty interest as per the Waitangi tribunal.</p> <p>While the Blocks sought to be excluded are likely to contain areas protected under other legislation Ōkahu/Inuāwai Hapū has not specified any particular areas within the blocks that require specific protection. As a result it is not practicable to assess the extent or effect of any such protection.</p> <p>The regulation of activities onshore and to the limit of the territorial sea (and their effects) is undertaken by consent authorities under the Resource Management Act 1991 (RMA). Onshore and offshore (out to 12 nautical miles) cultural sites do enjoy a substantive level of statutory protection under the RMA and</p>

	<p>through a range of local authority planning instruments and processes.</p> <p>Under section 6 of the RMA, all decision makers are required to recognise and provide for “the relationship of Māori and their culture and traditions with their ancestral lands, water sites, waahi tapu and other taonga” as a matter of national importance.</p> <p>For 12TAR8 (in part) and 12TAR9-12TAR10 the regulation of potential adverse effects beyond the 12 nautical mile limit will be regulated under the new Exclusive Economic Zone legislation once it is enacted, under the Maritime Transport Act 1994, which regulates spill management, and through the safety case administered by the Department of Labour.</p>
<p><i>The size of area and value of the potential resource affected if the area is excluded</i></p>	<p>The entire blocks 12TAR2-12TAR10 are sought for exclusion.</p> <p>Following the grant of an Extension of Duration over Petroleum Exploration Permit 381203, and the resulting relinquishment of part of this permit area, it is recommended that the western boundary of block 12TAR8 be redefined in a graticular format to be consistent with in house policy on petroleum permitting.</p> <p>The value and prospectivity of the recommended revised 12TAR8 block is assessed in summary as follows:</p> <p>The 524.69 km² 12TAR8 block is prospective as it is located above a hydrocarbon kitchen, but deep burial of potential reservoir rocks may inhibit exploration. Some industry interest has been expressed in the acreage. The close proximity of the Māui gas/condensate field and good shows in wells in adjacent blocks proves all the ingredients are present for a discovery. This area has moderate vintage 2D seismic coverage but no modern data.</p> <p>The value and prospectivity of blocks 12TAR2-12TAR7 and 12TAR9-12TAR10 is assessed in summary as follows:</p> <p>Block 12TAR2 is prospective for oil discoveries. The block borders the producing Kaimiro field, and</p>

	<p>geology similar to that found in this field is likely. Some prospectivity also exists for deep gas/condensate. Good 2D seismic coverage is available with a modern 2D seismic survey at the south of the block. 3D datasets are available in neighbouring permits.</p> <p>The 15.84 km² 12TAR3 block borders producing fields and discoveries on all sides. The block is highly prospective, bordering multiple small to medium oil and gas fields, including the Cheal, Waihapa, Ahuroa and Radnor. There is good potential for an oil and gas discovery, and a short distance to infrastructure would make small finds economic. Moderate vintage 2D seismic coverage is present and modern 3D coverage is available over much of the block.</p> <p>The 24.92 km² 12TAR4 block borders producing fields and discoveries on all sides. These are small to medium oil and gas fields, including the Cheal, Waihapa, Ahuroa and Radnor, and indicate this area is highly prospective. Multiple operators have requested that this area be included in the block offer. A short distance to infrastructure would make small discoveries economic. Moderate vintage 2D seismic coverage is present and modern 3D coverage is available over much of the permit.</p> <p>While there have been no wells drilled in the block, producing fields border the 4.46 km² 12TAR5 block on three sides. The close proximity of the Cheal and Copper Moki oil discoveries make this area highly prospective. Potential for oil and gas discoveries is high, and a short distance to infrastructure would make small finds economic. This block has 3D data coverage and some older 2D data.</p> <p>The close proximity of the giant Kāpuni gas/condensate field and good shows in wells to the west make the 106.54 km² 12TAR6 block prospective for oil and gas. Gas chimneys are visible in seismic, and shows the area has access to hydrocarbon charge. This block has moderate 2D seismic coverage but no modern data post 1995.</p> <p>The 110.99 km² 12TAR7 block contains some prospectivity, but deep burial of potential reservoir</p>
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	<p>rocks may inhibit exploration in the block. The area has moderate to low 2D seismic coverage and no wells have been drilled in the block. Some industry interest has been expressed in the area.</p> <p>Prospectivity was previously downgraded in the 2475.34 km² 12TAR9 block due to the result at Hector-1 (dry well), but oil shows in nearby wells show that a petroleum system is active in the area. Seismic coverage consists of multiple modern 2D surveys and a 3D survey over part of the block. These surveys indicate that undrilled prospects remain in the block, and potential for hydrocarbon discovery remains.</p> <p>Oil shows in the nearby Kiwa-1 well and the highly productive Tui field to the east of the 751.25 km² 12TAR10 block show that a petroleum system is active in the area. Seismic coverage consists of multiple modern 2D surveys, which indicate large undrilled prospects, such as Tīkati and Tāmure, remain in the block, and potential remains for oil and gas discoveries.</p>
<i>Other relevant considerations</i>	No other relevant considerations have been identified.

Conclusion

1. Ōkahu/Inuāwai Hapū has not identified any specific important sites within their rohe that require protection and it is not therefore practicable to assess these areas to determine the extent or effect of any landowner veto rights or existing statutory protections.
2. To the extent that particular sites are identified after the block has been awarded they should be the subject of discussions with the permit holder. Officials note that these discussions should occur through the expectations envisaged of permit holders through the Block Offer Notice that relates to engagement with iwi. Such engagement will relate to sites of importance to iwi/hapū.

Recommendation

3. Having regard to the above matters, it is recommended that you do not exclude blocks 12TAR2-12TAR10 from Block Offer 2012 as a result of Ōkahu/Inuāwai Hapū's submission.

Submission: 14

Iwi: Taranaki Iwi Trust

Representative Organisation/Person: Liana Poutu, General Manager

Date Received: 5 April 2012

Blocks affected: 12TAR1, 12TAR2, and 12TAR8

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

Taranaki Iwi Trust submitted that:

- A. They seek exclusion of proposed blocks 12TAR1 and 12TAR2 on the basis that the number of historically and culturally significant sites are too numerous to seek exclusion of each one from the proposed.
- B. The proposed 12TAR8 block includes an area used by Taranaki Iwi and others for customary fishing and where traditional kaimoana (seafood) reefs are located and these areas should be excluded from the parameters of the proposed 12TAR8 block.

Request A: Exclusion of blocks 12TAR1 and 12TAR2

Reasons submitted for request A

In support of this exclusion request:

- a. Taranaki Iwi Trust have submitted that in relation to blocks 12TAR1 and 12TAR2, the number of historically and culturally significant sites are too numerous to seek exclusion of each site from the proposed block, and as such, the entire blocks should be excluded.
- b. Officials note that the submission from New Plymouth District Council indicates that there are currently in excess of 770 Wāhi Tapu sites scheduled and mapped in the District Plan, and that the Council is currently undertaking a comprehensive review of all known sites of significance which indicates the likelihood of in excess of 1000 sites within the district recorded at the end of the review process.

<i>Exclusion of blocks 12TAR1 and 12TAR2</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	<p>The proposed blocks are historically and culturally significant to Taranaki iwi.</p> <p>The submission sets out these grounds in detail, and these have been considered. They include; that the</p>

	area was at the heart of the Taranaki land wars, that significant iwi pā are located there, that numerous archaeological sites have been recorded there, and Taranaki Maunga (Mt Taranaki) is located there.
<i>Whether the area is a known wāhi tapu site;</i>	The blocks are considered by iwi to contain multiple wāhi tapu sites. While officials understand that mapping of such sites in the region is being undertaken, it is not yet complete, and many of the sites are therefore not “known” in the sense of already being afforded protection through other statutory provisions, for example, statutory acknowledgements under Treaty settlement legislation.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	The areas are considered to be unique due to the factors set out above.
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and objections under other legislation;</i>	Officials have consulted with Office of Treaty Settlements (OTS) who advise that Taranaki Iwi Trust, who are mandated to represent Taranaki Iwi, are currently in negotiations with the Crown. Significant sites will be discussed in those negotiations but specific details are not available at this stage.
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	<p>As above.</p> <p>OTS advises that there are a number of iwi where the Crown is either in active negotiations with or will enter negotiations, and in the Taranaki region, this includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki).</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit</p>

	under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	Inquiries have been made of the Taranaki Regional Council and officials are advised that it does not have a finalised iwi management plan for Taranaki Iwi Trust.
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	Given the request is to exclude the entire blocks due to the fact that a 'large' number of historically and culturally significant sites are present, it is not practicable to assess the extent or effect of the access veto right under section 55.
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i>	<p>Taranaki Iwi have not specified any individual areas within the blocks that require specific protection, however their position is that the whole blocks need protection.</p> <p>Officials note that blocks 12TAR1 and 12TAR2 are within the district boundary of the New Plymouth District Council.</p> <p>The historically and culturally significant sites within that ward enjoy a significant level of protection under the district plan, which contains <i>Appendix 26: Waahi Tapu sites & Archaeological Sites</i>. This is an inventory of 771 sites and the plan then controls disturbance activities in connection with the sites, so that a resource consent application is required and iwi/Hapū may be considered an affected party.</p> <p>The submission from New Plymouth District Council indicates that there are currently in excess of 770 Wāhi Tapu sites scheduled and mapped in the District Plan, and that the Council is currently undertaking a comprehensive review of all known sites of significance which indicates the likelihood of in excess of 1000 sites within the district recorded at the end of the review process.</p>
<i>The size of area and value of the potential resource affected if the area is excluded</i>	<p>The entire blocks 12TAR1, and 12TAR2 are sought for exclusion.</p> <p>The value and prospectivity of the areas are</p>

	<p>assessed in summary as follows:</p> <p>Block 12TAR1 is prospective for oil and gas as it is likely to have similar geology to the producing Moturoa and Kaimiro fields that border the block. The close proximity of the block to the Kowhai and Mangahewa fields suggests potential also exists for deeper gas/condensate discoveries. The block has moderate 2D seismic coverage but little data post 1994.</p> <p>Block 12TAR2 is prospective for oil discoveries. The block borders the producing Kaimiro field, and geology similar to that found in this field is likely. Some prospectivity also exists for deep gas/condensate. Good 2D seismic coverage is available with a modern 2D seismic survey at the south of the block. 3D datasets are available in neighbouring permits.</p>
<i>Other relevant considerations</i>	No other relevant factors have been identified.

Conclusion

1. Given the very significant number of sites, the importance attached to them by iwi, and that a review is currently being undertaken to provide more clarity as to the number and location of such sites within the region, it is considered that the best option in this instance is to defer offering blocks 12TAR1 and 12TAR2 for competitive tender until such time as officials are able to make a more informed decision regarding the balance of providing active protection and appropriate resource development. The Ministry will continue to engage with iwi and the New Plymouth District Council in relation to this.

Recommendation

2. Having regard to the above matters, it is recommended that you defer offering blocks 12TAR1 and 12TAR2 for competitive tender until such time as officials are able to make more informed decisions regarding the balance between providing active protection and enabling appropriate resource development.

Request B: The exclusion of traditional Kaimoana (seafood) reefs

Reasons submitted for request B

In support of this exclusion request, Taranaki Iwi Trust note that the proposed 12TAR8 block includes an area used by Taranaki Iwi and others for customary fishing and that includes

traditional kaimoana (seafood) reefs are located. These areas should be excluded from the parameters of the proposed 12TAR8 block.

<i>The exclusion of traditional Kaimoana (seafood) reefs (Block 12TAR8)</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Taranaki Iwi Trust indicate that traditional kaimoana (seafood) reefs are located within 12TAR8, and that these areas are used by Taranaki Iwi and others for customary fishing.
<i>Whether the area is a known wāhi tapu site;</i>	From the information available it is not clear whether the area is a known wāhi tapu site.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	The area is considered unique in terms of food gathering.
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and objections under other legislation;</i>	Officials have consulted with the Office of Treaty Settlements (OTS) who advise that Taranaki Iwi Trust are currently in negotiations with the Crown. Significant sites will be identified and discussed in those negotiations.
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	<p>As above.</p> <p>OTS advises that there are a number of iwi where the Crown is either in active negotiations with or will enter negotiations, and in the Taranaki region, this includes Te Ātiawa (Taranaki), Taranaki Iwi, Ngāruahine and Ngāti Maru (Taranaki).</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit</p>

	under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	Inquiries have been made of the Taranaki Regional Council and officials are advised that it does not have a finalised iwi management plan for Taranaki Iwi Trust.
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area.</i>	Given the size of the area requested for exclusion it is not practicable to assess the extent or effect of the access veto right under section 55.
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i>	The Taranaki Regional Coastal Plan provides a level of protection for the reefs. The effects of activities undertaken in the coastal marine area, including any effects from exploration activities on the near-shore reefs used for customary fishing and kaimoana (seafood) where proposed 12TAR8 block impinges on the coast line, are to be " <i>avoided or mitigated to the fullest extent practicable</i> " in accordance with provisions of the coastal plan (see provisions around "Protection of Social and Cultural Values" and also around "The Relationship of Tangata Whenua with the Coastal Marine Area).
<i>The size of area and value of the potential resource affected if the area is excluded</i>	<p>Part of block 12TAR8 is sought for exclusion.</p> <p>Following the grant of an Extension of Duration over Petroleum Exploration Permit 381203, and the resulting relinquishment of part of this permit area, it is recommended that the western boundary of block 12TAR8 be redefined in a graticular format to be consistent with in house policy on petroleum permitting.</p> <p>The value and prospectivity of the recommended revised 12TAR8 block is assessed in summary as follows:</p> <p>The 524.69 km² 12TAR8 block is prospective as it is located above a hydrocarbon kitchen, but deep burial of potential reservoir rocks may inhibit exploration. Some industry interest has been expressed in the acreage. The close proximity of the Māui gas/condensate field and good shows in wells in</p>

	adjacent blocks proves all the ingredients are present for a discovery. This area has moderate vintage 2D seismic coverage but no modern data.
<i>Other relevant considerations</i>	No other relevant factors have been identified.

Conclusion

1. As the Taranaki Iwi Trust note, the Trust would be happy to work through the detail with NZP&M and our local Hapū fisheries kaitiaki. To the extent that particular sites are identified after the block has been awarded they should be the subject of discussions with the permit holder. Officials note that this discussion should occur through the expectations envisaged of permit holders through the Block Offer Notice that relates to engagement with iwi. Such engagement will relate to sites of importance to iwi/hapū.

Recommendation

2. Having regard to the above matters, it is recommended that you do not amend block 12TAR8 in relation to traditional kaimoana reefs as a result of Taranaki Iwi Trust's submission.

Submission: 15

Iwi: Te Runanga o Ngāti Ruanui (**Ngāti Ruanui**)

Representative Organisation/Person: Debbie Packer, Kaiarataki

Date Received: 12 April 2012

Blocks affected: 12TAR3-12TAR5

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

Ngāti Ruanui seek the following land exclusions from the onshore blocks 12TAR3, 12TAR4 and 12TAR5:

- A. Land within 20 metres of the Pātea Awa (River)
- B. Whakaahurangi Marae site, Section 149 and Part section 147 shown on SO Plan 14729
- C. Identified Urupā sites
- D. Any area, regardless of land title boundaries, of native vegetation 1 ha or greater, where that vegetation is 3 metres or greater in height

Request A: The exclusion of land within 20 metres of the PĀTEA Awa (PĀTEA River)

Reasons submitted for request A

In support of this exclusion Ngāti Ruanui:

- a. state that the Pātea Awa is a Statutory Acknowledgement Area under the Ngāti Ruanui Claims Settlement Act 2003 (**Ngāti Ruanui Act**);
- b. state that the Pātea Awa is a specifically recognised catchment in the Ngāti Ruanui Environmental Management Plan (Section 2 Resource Management Act 1991); and
- c. consider that it is inappropriate for any petroleum exploration to occur close to the Pātea Awa.

To complement this exclusion (in effect an alternative to exclusion) Ngāti i Ruanui suggest the following condition to be included:

The 12TAR4 permit holder must give written notice to Te Runanga o Ngati Ruanui iwi at least 20 working days prior to undertaking exploration activities within 100 metres of the Patea Awa (River).

Ngāti Ruanui state that the condition above will ensure the Statutory Acknowledgment Area is adequately recognised and its unique role of Kaitiakitanga for the Pātea Awa is enduring

through the exploration permit process, especially during a site selection process for exploration activities.

<i>The exclusion of land within 20 metres of the Pātea Awa (River) (Block 12TAR4)</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	<p>Ngāti Ruanui do not explicitly set out why the Pātea Awa is important to the mana of iwi and Hapū. However, officials note that the river's importance is recognised under section 88 of the Ngāti Ruanui Act as referred to by the iwi.</p> <p>Accordingly Pātea Awa is listed in Schedule 4 of the Ngāti Ruanui Act as one of the Statutory Acknowledgements. This means that consent authorities, the New Zealand Historic Places Trust and the Environment Court must, in certain decision making situations, have regard to it (as set out below).</p>
<i>Whether the area is a known wāhi tapu site;</i>	<p>As above.</p> <p>The river's importance is recognised in the Ngāti Ruanui Act. The Crown, under section 88, has acknowledged the particular cultural, spiritual, historical and traditional association of Ngāti Ruanui with the Pātea Awa.</p>
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	<p>Ngāti Ruanui have not commented on the uniqueness of the area, however as mentioned the river's importance, and arguably uniqueness, is recognised in the Ngāti Ruanui Act.</p>
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and objections under other legislation;</i>	<p>The importance of the area has been demonstrated in the Ngāti Ruanui Act.</p>
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of</i>	<p>As above.</p> <p>The Office of Treaty Settlements (OTS) advises there are no other Treaty claims pending in relation to the</p>

<i>grievances under the Treaty;</i>	<p>area and the settlement set out in the Ngāti Ruanui Act is final. ⁴</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	Ngāti Ruanui refer in their submission to the Ngāti Ruanui Environmental Management Plan but officials' efforts to obtain that plan from the Taranaki Regional Council have been unsuccessful.
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	<p>There are two small areas of Department of Conservation (DOC) land adjacent to the Pātea River.</p> <p>It is not clear from the information available whether the area contains any land with the classes set out in section 55 of the CMA. Where the Pātea River runs through the town of Stratford, landowners may have effective access veto rights given the small areas of land (4.05 hectares or less) and buildings in the town.</p> <p>These access veto rights afford some protection along a relatively small stretch of the Pātea River. The majority of land adjacent to the river is privately owned.</p>
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic</i>	Section 89 of the Ngāti Ruanui Act, requires consent authorities, the New Zealand Historic Places Trust (NZHPT), or the Environment Court, to have regard to this Statutory Acknowledgement in relation to the Pātea River, as provided for in sections 90 to 92.

⁴ Section 15 of the Ngāti Ruanui Claims Settlement Act 2003

<p><i>Places Act 1993; and</i></p>	<p>These sections require:</p> <ul style="list-style-type: none"> • consent authorities to have regard to the Statutory Acknowledgement for notification and forming opinions on the adverse effects and who may be affected by these effects of consent applications under the Resource Management Act 1991 (RMA), • the Environment Court to have regard to the statutory acknowledgement in determining who may be a party by their interest in the proceedings, • the NZHPT under the Historic Places Act 1993 (HPA) must have regard to the Statutory Acknowledgement when determining interests and rights. <p>In addition consent authorities are required to forward summaries of resource consent applications to the governance entity (the Trust), as provided for in section 94.</p> <p>Under section 95 the governance entity and any member of Ngāti Ruanui may cite this Statutory Acknowledgement as evidence of the association of Ngāti Ruanui with the Pātea River, as provided for in section 95 and may make a statement of the association of Ngāti Ruanui with the Pātea River for inclusion in a deed of recognition.</p> <p>The protection afforded by the Ngāti Ruanui Act to the Pātea Awa, while not absolute, is quite extensive.</p>
<p><i>The size of area and value of the potential resource affected if the area is excluded</i></p>	<p>The area requested to be excluded is relatively small and is considered unlikely to be subject to surface exploration activities.</p> <p>The value and prospectivity of 12TAR4 is assessed in summary as follows:</p> <p>The 24.92 km² 12TAR4 block borders producing fields and discoveries on all sides. These are small to medium oil and gas fields, including the Cheal, Waihapa, Ahuroa and Radnor, and indicate this area is highly prospective. Multiple operators have requested that this area be included in the block offer. A short distance to infrastructure would make</p>

	small discoveries economic. Moderate vintage 2D seismic coverage is present and modern 3D coverage is available over much of the permit.
<i>Other relevant considerations</i>	No other relevant factors have been identified.

Conclusion

1. The Pātea River is a relatively small area within 12TAR4 and is an area of importance to Ngāti Ruanui, as recognised by the Crown in the Ngāti Ruanui Claims Settlement Act 2003. This Act, as referred to above, affords significant protection for Ngāti Ruanui under the RMA and HPA in respect of exploration activities that may affect this area.

Recommendation

2. Having regard to all the above matters, it is recommended that you do not exclude land within 20 metres of the Pātea Awa in block 12TAR4, but that an additional specific condition be attached to any permit granted over 12TAR4:

The 12TAR4 permit holder must give written notice to Te Runanga o Ngati Ruanui iwi at least 20 working days prior to undertaking exploration activities within 100 metres of the Patea Awa (River).

Request B: The exclusion of the Whakaahurangi Marae site, Section 149 and Part section 147 shown on SO Plan 14729

Reasons submitted for request B

Ngāti Ruanui has not provided any specific information in support of this proposed area being excluded from the Block Offer.

<i>The exclusion of the Whakaahurangi Marae site, Section 149 and Part section 147 shown on SO Plan 14729 (Block 12TAR4)</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Officials accept that the Marae is very important to the mana of iwi and Hapū.
<i>Whether the area is a known wāhi tapu site;</i>	From the information available it is not clear whether the area is a known wāhi tapu site.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the</i>	From the information available it is not clear whether the area is a unique area.

<i>ancestral canoes);</i>	
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and objections under other legislation;</i>	The Whakaahurangi Marae site was vested in Ngāti Ruanui under the Ngāti Ruanui Act (see section 9.2.7 of the Ngāti Ruanui Deed of Settlement and section 36 of the Act).
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	The Office of Treaty Settlements has advised that there are no additional treaty obligations that relate to the Marae.
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	Ngāti Ruanui refer in their submission to the Ngāti Ruanui Environmental Management Plan but officials' efforts to obtain that plan from the Taranaki Regional Council have been unsuccessful.
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	<p>Section 36 of the Ngāti Ruanui Act revokes the Whakaahurangi Marae site reservation under the Reserves Act 1977. The fee simple estate in the Marae site vests in the governance entity (the Trust).</p> <p>Exploration (other than minimum impact activity) undertaken within the land parcel by any permit holder would require an access arrangement to be in place between the parties.</p> <p>Section 55 of the Crown Minerals Act 1991 (CMA) prevents an arbitrator from determining an access arrangement to enable exploration activities within 30 metres of a building.</p> <p>This will give Ngāti Ruanui the ability to veto access to the land within 30 metres of the Marae.</p>
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i>	<p>From the available information it is not clear whether the area is protected elsewhere under any other legislation. The land is now held freehold (privately) by the Ngāti Ruanui Trust.</p> <p>The regulation of activities onshore and to the limit of the territorial sea (and their effects) is undertaken by consent authorities under the Resource Management Act 1991 (RMA). Onshore and offshore (out to 12 nautical miles) cultural sites do enjoy a substantive level of statutory protection under the RMA and</p>

	<p>through a range of local authority planning instruments and processes.</p> <p>In addition, under section 6 of the Resource Management Act 1991, all decision makers are required to recognise and provide for “the relationship of Māori and their culture and traditions with their ancestral lands, water sites, waahi tapu and other taonga” as a matter of national importance.</p> <p>Officials have contacted the Historic Places Trust and the Marae is not registered with the Trust.</p>
<i>The size of area and value of the potential resource affected if the area is excluded</i>	<p>The area requested to be excluded is relatively small and is considered unlikely to be subject to surface exploration activities.</p> <p>The value and prospectivity of 12TAR4 is assessed in summary as follows:</p> <p>The 24.92 km² 12TAR4 block borders producing fields and discoveries on all sides. These are small to medium oil and gas fields, including the Cheal, Waihapa, Ahuroa and Radnor, and indicate this area is highly prospective. Multiple operators have requested that this area be included in the block offer. A short distance to infrastructure would make small discoveries economic. Moderate vintage 2D seismic coverage is present and modern 3D coverage is available over much of the permit.</p>
<i>Other relevant considerations</i>	No other relevant factors have been identified.

Conclusion

1. The Marae site is a freehold title held by the Trust. Ngāti Ruanui will have the right to veto any access for petroleum exploration at the site under section 55 of the CMA. This will provide Ngāti Ruanui with sufficient protection in relation to the Marae.

Recommendation

2. Having regard to all the above matters, it is recommended that you do not exclude the Marae site from block 12TAR4 in Block Offer 2012 as a result of Ngāti Ruanui's submission.

Request C: The exclusion of identified Urupā (burial ground) sites (Blocks 12TAR3-12TAR5).

Reasons submitted for request C

Officials understand Ngāti Ruanui to be submitting that while these sites are likely to be small in number it is important they are excluded given their historical and cultural sensitivity to Hapū and whānau. They go on to say “Referral to Ngāti Ruanui is considered the most practical way for the successful company to identify such sites when exploration activities occur”. This however implies that it will not be feasible to exclude them until after a permit has been granted and that Ngāti Ruanui will work with the permit holder to identify these sites and then engage with them as to how they might be protected.

Considerations and Analysis

1. No specific urupā sites have been identified by Ngāti Ruanui. As officials have not been able to locate any iwi management plan it is not possible to say whether any urupā sites have been included in such a plan.
2. The remaining considerations under paragraph 3.12 of the Minerals Programme depend on the site in question being identified.

Conclusion

3. Ngāti Ruanui have not identified any specific urupā sites and this means it is not possible to evaluate this request for exclusion by reference to the various factors in paragraph 3.12 of the Minerals Programme for Petroleum.
4. As Ngāti Ruanui note, urupā should be the subject of discussions between any future permit holder and Ngāti Ruanui in the course of the permit holder carrying out activities under the permit. Officials note that these discussions should occur through the expectations envisaged of permit holders through the Block Offer Notice that relates to engagement with iwi. Such engagement will relate to sites of importance to iwi/hapū.
5. Generally all such activities and their effects will be considered as part of the resource consent process under the Resource Management Act 1991 and officials consider that that is the proper context in which the potential effects on urupā sites should be assessed.

Recommendation

6. Having regard to the above matters, it is recommended that you do not amend blocks 12TAR3-12TAR5 in relation to urupā sites as a result of Ngāti Ruanui's submission.

Request D: The exclusion of any area, regardless of land title boundaries, of native vegetation 1 ha or greater, where that vegetation is 3 metres or greater in height (Blocks 12TAR3-12TAR5).

Reasons submitted for request D

In support of this exclusion request Ngāti Ruanui:

- a. State that the loss of native vegetation within the Taranaki Region is significant.
- b. State that the protection and enhancement of biodiversity is a significant policy feature of the Ngāti Ruanui Environmental Plan.
- c. Note that native vegetation is often not afforded any adequate protection under regional or district plans.

Considerations and Analysis

1. Officials note that a specific area has not been identified by Ngāti Ruanui, and the area described is particularly difficult to identify using the Geographic Information System information available at this time.
2. Further, a copy of the Ngāti Ruanui Environmental Plan has not been provided, nor is that plan held on file by Taranaki Regional Council. The considerations under paragraph 3.12 of the Minerals Programme for Petroleum relate to the area identified, so further evaluation cannot be undertaken for this request.
3. Officials note that under section 55 of the Crown Minerals Act 1991 the land access veto right applies to indigenous forest areas and therefore to the extent that this request relates to land with indigenous forest it would be subject to that form of protection.
4. Generally all such activities and their effects will be considered as part of the resource consent process under the Resource Management Act 1991 and officials consider that that is the proper context in which the potential effects on site where there is native vegetation should be assessed.
5. Officials note that discussions in relation to areas of vegetation should occur through the expectations envisaged of permit holders through the Block Offer Notice that relates to engagement with iwi. Such engagement will relate to sites of importance to iwi/hapū.

Recommendation

6. Having regard to the above matters, it is recommended that you do not amend blocks 12TAR3-12TAR5 in relation to vegetation as a result of Ngāti Ruanui's submission.

Submission: 19

Iwi: Rangitāne o Tāmaki nui a Rua (**Rangitāne o Tāmaki**)

Date Received: 5 April 2012

Block affected: 12EC2

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

Rangitāne o Tāmaki is opposed to onshore and offshore mining in its rohe and requests that the Ministry exclude its rohe from all minerals block offers.

Reasons submitted for request

In support of this exclusion Rangitāne o Tāmaki:

- a. claim mana whenua and mana moana for its rohe;
- b. strongly object to any activity that could pollute the land or sea or damage ecosystems; and
- c. list a range of effects that they say will result from rigs and construction activities (amongst other things).

<i>Exclusion of block 12EC2</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Rangitāne o Tāmaki do not identify any specific areas within their rohe that require protection. Rather they raise global concerns in relation to their rohe and the effects of petroleum exploration on it.
<i>Whether the area is a known wāhi tapu site;</i>	As above.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	As above.
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and</i>	Officials have consulted the Office of Treaty Settlements (OTS), which advises that there are a number of Treaty settlement negotiations underway (or are about to commence) with iwi in relation to the

<i>objections under other legislation;</i>	<p>lower East Coast of the North Island including Rangitāne o Tāmaki Nui a Rua and Rangitāne o Wairarapa.</p> <p>The importance of the area is likely to be referred to in that process but officials do not have any details at this stage.</p>
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	<p>As above.</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	<p>Inquiries have been made of the Greater Wellington Regional Council and officials are advised that it does not have an iwi management plan for Rangitāne o Tāmaki on file.</p>
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	<p>Rangitāne o Tāmaki have not specified any particular areas within the blocks that require specific protection. As a result it is not possible to determine the extent to which the landowner veto will apply.</p>
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i>	<p>The primary basis on which Rangitāne o Tāmaki seeks exclusion is that petroleum exploration has the potential to harm the environment, including damage to ecosystems. These adverse effects are said to result from petroleum exploration activities.</p> <p>Block 12EC2 lies across the territorial sea and Exclusive Economic Zone (EEZ) boundary and will be covered by the Resource Management Act 1991 (RMA) and EEZ legislation once enacted. Block 12EC2 is in part within the coastal marine area – activities (and the adverse effects of activities) in that</p>

	<p>space are stringently controlled under Horizons One Plan, the Hawkes Bay Regional Resource Management Plan, and the Hawkes Bay Regional Coastal Plan.</p> <p>Under section 6 of the RMA, all decision makers are required to recognise and provide for “the relationship of Māori and their culture and traditions with their ancestral lands, water sites, waahi tapu and other taonga” as a matter of national importance.</p> <p>The regulation of potential adverse effects beyond the 12 nautical mile limit will be regulated under the new EEZ legislation once it is enacted and under the Maritime Transport Act 1994, which regulates spill management, and through the safety case administered by the Department of Labour.</p>
<i>The size of area and value of the potential resource affected if the area is excluded</i>	<p>The entire block 12EC2 is sought for exclusion.</p> <p>The value and prospectivity of 12EC2 is assessed in summary as follows:</p> <p>The 2,476.5 km² 12EC2 block is highly prospective. Over 300 oil and gas seeps have been documented in the onshore portion of the East Coast Basin. The block contains the Titihaoa dry gas accumulation and strong high pressure gas shows have been encountered in wells in the centre and south of the block. This block is well covered by modern 2D seismic in the shallow water area, but sparse coverage exists in the deep-water eastern areas.</p>
<i>Other relevant considerations</i>	<p>No other relevant considerations have been identified.</p>

Conclusion

1. Officials acknowledge the particular concerns expressed in relation to the potential environmental effects of drilling on the Rangitāne o Tāmaki rohe both onshore and offshore. However specific exploration activities and their effects on the environment are regulated under other legislation and are beyond the scope of the Crown Minerals Act 1991. It would not be appropriate to remove them from the Block Offer for this reason.
2. Secondly Rangitāne o Tāmaki have not identified any specific sites within their rohe that require particular protection, rather they have made their submission on a rohe-

wide basis. This prevents a full evaluation being done under paragraph 3.12 of the Minerals Programme for Petroleum.

Recommendation

3. Having regard to the above matters, it is recommended that you do not exclude block 12EC2 from Block Offer 2012 as a result of Rangitāne o Tāmaki's submission.

Submission: 20

Iwi: Rangitāne o Wairarapa Inc (**Rangitāne o Wairarapa**)

Representative Organisation/Person: Jason Kerehi, Chief Executive

Date Received: 29 March 2012

Block(s) affected: 12EC2, 12PEG1, 12PEG2

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

Rangitāne o Wairarapa is opposed to onshore and offshore mining in its rohe. This has been treated as a request for an exclusion of blocks 12EC2, 12PEG1 and 12PEG2.

Reasons submitted for request A

In support of this exclusion request Rangitāne o Wairarapa:

- a. claims mana whenua and mana moana for its rohe.
- b. oppose any activity that has the potential to harm the environment and has a number of interests in the marine area (including customary and commercial fishing rights).

<i>Exclusion of blocks 12EC2, 12PEG1, and 12PEG2</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Rangitāne o Wairarapa do not identify any specific areas within their rohe that require protection. Their submission rather raises a global concern in relation to their rohe and the effects of petroleum exploration on it.
<i>Whether the area is a known wāhi tapu site;</i>	As above.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	As above.
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and</i>	The Office of Treaty Settlements (OTS) has advised that there are a number of Treaty settlement negotiations underway (or are about to commence) with iwi in relation to the lower East Coast of the

<i>objections under other legislation;</i>	North Island including Rangitāne o Tāmaki Nui a Rua and Rangitāne o Wairarapa.
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	<p>As above.</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	Inquiries have been made of the Greater Wellington Regional Council and officials are advised that it does not have an iwi management plan for Rangitāne o Wairarapa on file.
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	Given that no specific land is sought to be excluded it is not possible to determine the extent to which the landowner veto might apply.
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i>	<p>The primary basis on which Rangitāne o Wairarapa seeks exclusion is that petroleum exploration has the potential to harm the marine environment.</p> <p>Block 12EC2 lies across the territorial sea and Exclusive Economic Zone (EEZ) boundary and will be covered by the Resource Management Act 1991 (RMA) and EEZ legislation once it is enacted. Block 12EC2 is in part within the coastal marine area – activities (and the adverse effects of activities) in that space are stringently controlled under Horizons One Plan, the Hawkes Bay Regional Resource Management Plan, and the Hawkes Bay Regional Coastal Plan.</p> <p>Under section 6 of the RMA, all decision makers are required to recognise and provide for “the</p>

	<p>relationship of Māori and their culture and traditions with their ancestral lands, water sites, waahi tapu and other taonga” as a matter of national importance.</p> <p>For blocks 12PEG1 and 12PEG2, the regulation of potential adverse effects beyond the 12 nautical mile limit will be regulated under the EEZ legislation once it is enacted, under the Maritime Transport Act 1994, which regulates spill management, and through the safety case administered by the Department of Labour.</p>
<i>The size of area and value of the potential resource affected if the area is excluded</i>	<p>The entire blocks 12EC2, 12PEG1, and 12PEG2 are sought for exclusion.</p> <p>The value and prospectivity of 12EC2, 12PEG1 and 12PEG2 are assessed in summary as follows:</p> <p>The 2,476.5 km² 12EC2 block is highly prospective. Over 300 oil and gas seeps have been documented in the onshore portion of the East Coast Basin. The block contains the Titihaoa dry gas accumulation and strong high pressure gas shows have been encountered in wells in the centre and south of the block. This block is well covered by modern 2D seismic in the shallow water area, but sparse coverage exists in the deep-water eastern areas.</p> <p>Recent seismic data shows a deep, thick sequence of sedimentary rock which indicates the 4272.88 km² 12PEG1 block is prospective for hydrocarbons, in particular gas. Gas seeps have also been documented in the block. The block has a wide grid of modern 2D seismic and swath bathymetry. No wells have been drilled in the basin</p> <p>Recent seismic data shows a deep, thick sequence of sedimentary rock which indicates the 2812.10 km² 12PEG2 block is prospective for hydrocarbons, in particular gas. Gas seeps have also been documented in the block. The area has a wide grid of modern 2D seismic and swath bathymetry. No wells have been drilled in the basin.</p>
<i>Other relevant considerations</i>	<p>No other relevant considerations have been identified.</p>

Conclusion

1. Officials acknowledge the particular concerns expressed in relation to the potential environmental effects of drilling on the Rangitāne o Wairarapa's rohe, both onshore and offshore. However specific exploration activities and their effects on the environment are regulated under other legislation rather than under the Crown Minerals Act 1991. It would not be appropriate to remove them from the Block Offer for this reason.
2. Rangitāne o Wairarapa have not identified any specific sites within their rohe that require particular protection, rather they have made their submission on a rohe-wide basis which prevents a full evaluation being done under paragraph 3.12 of the Minerals Programme for Petroleum.

Recommendation

3. Having regard to the above matters, it is recommended that you do not exclude blocks 12EC2, 12PEG1, and 12PEG2 from Block Offer 2012 as a result of Rangitāne o Wairarapa's submission.

Submission: 21

Iwi: Te Ātiawa ki te Upoko o te Ika a Māui Pōtiki Trust
(Te Ātiawa)

Representative Organisation/Person: Morrie Love, Executive Officer

Date Received: 12 April 2012

Blocks affected: 12PEG1 and 12PEG2

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

The Trust opposes the inclusion of the 12PEG1 and 12PEG2 in the proposed Block Offer. This has been treated as a request for an exclusion of these blocks from Block Offer 2012.

Reasons submitted for request

In support of this exclusion Te Ātiawa:

- a. State that they are one of the many quota owners of the “highly valuable” hoki fishery;
- b. State that the Cook Strait fishery is also significant for Bass, Hapūku/Groper, Ling and a number of other deep water species;
- c. State that the coastal areas from Wellington to Wairarapa south and south west coast are “highly significant” paua and rock lobster fisheries;
- d. Suggest that oil exploration “with its attendant risks” puts all of the above stocks at risk;
- e. Raise concerns that exploration could result in significant damage to the environment, and refer in particular to concerns about seismic risk, water depth and wave height.

To complement this exclusion Te Ātiawa conclude with the following:

In the Trusts view these factors make risk for oil exploration in these two blocks, which are orders of magnitude higher than the Taranaki Basin, so high that the environmental impacts of any disaster would far outweigh any benefit derived from royalties and job opportunities.

Exclusion of blocks 12PEG1 and 12PEG2	
Considerations	Analysis
What it is about the area that makes it important to the mana of	Te Ātiawa state that the fisheries in the area are very important to them.

<i>iwi and Hapū;</i>	
<i>Whether the area is a known wāhi tapu site;</i>	Te Ātiawa do not discuss wāhi tapu in their submission.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	Te Ātiawa state that the fisheries in the area are very important to them.
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and objections under other legislation;</i>	<p>Te Ātiawa hold quota for hoki.</p> <p>Officials have consulted the Office of Treaty Settlements (OTS). There has been a settlement in relation to Te Ātiawa in the Port Nicholson Block with the Taranaki whanui. Officials understand this settlement related to land claims only would not have addressed the matters referred to above which relate to fisheries.</p>
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	<p>As above.</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	Greater Wellington Regional Council does not hold a current iwi management plan for Te Ātiawa.
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto</i>	Given the size of the areas requested for exclusion it is not practicable to assess the extent or effect of the access veto right under section 55.

<i>rights may protect the area;</i>	
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i>	For blocks 12PEG1 and 12PEG2, the regulation of potential adverse effects beyond the 12 nautical mile limit will be regulated under the new Exclusive Economic Zone legislation once it is enacted, under the Maritime Transport Act 1994, which regulates spill management, and through the safety case administered by the Department of Labour.
<i>The size of area and value of the potential resource affected if the area is excluded</i>	<p>The entire blocks 12PEG1 and 12PEG2 are sought for exclusion.</p> <p>The value and prospectivity of 12PEG1 and 12PEG2 are assessed in summary as follows:</p> <p>Recent seismic data shows a deep, thick sequence of sedimentary rock which indicates the 4272.88 km² 12PEG1 block is prospective for hydrocarbons, in particular gas. Gas seeps have also been documented in the block. The block has a wide grid of modern 2D seismic and swath bathymetry. No wells have been drilled in the basin.</p> <p>Recent seismic data shows a deep, thick sequence of sedimentary rock which indicates the 2812.10 km² 12PEG2 block is prospective for hydrocarbons, in particular gas. Gas seeps have also been documented in the block. The area has a wide grid of modern 2D seismic and swath bathymetry. No wells have been drilled in the basin.</p>
<p><i>Other relevant considerations</i></p> <p><i>From above:</i></p> <p>Infer that there will be a “massive failure of oil wells with attendant damage to the fisheries and coastlines” with any large earthquake;</p> <p>Infer that the well containment risk will be greatly increased due to water depth;</p> <p>Infer that wave conditions will be “as great as anywhere” putting installations at risk.</p>	<p>Risks associated with earthquake, wave and water depth considerations are mitigated through appropriate design and procedure. These considerations are incorporated into the “safety case” submitted to Department of Labour as part of the work programme approval process. The safety case assesses all technical risk and proposes mitigation solutions.</p>

Conclusion

1. The concerns raised by Te Ātiawa are primarily associated with risks to relevant fisheries due to loss of well control from earthquake, wave, or deepwater causes. These concerns are addressed through the safety case administered through the Department of Labour.

Recommendation

2. Having regard to the above matters, it is recommended that you do not exclude blocks 12PEG1 and 12PEG2 from Block Offer 2012 as a result of Te Ātiawa's submission.

Submission: 22

Iwi: Ngai Tahu (**Ngai Tahu**)

Representative Organisation/Person: Sandra Cook, Acting GM Strategy and Influence

Date Received: 5 April 2012

Blocks affected: 12PEG1, 12PEG2 and 12EC2

Request(s) for an amendment to proposed Block Offer or exclusion of any land from Block Offer

Ngai Tahu does not support tendering of 12PEG1, 12PEG2 or 12EC2 in the proposed Block Offer. This has been treated as a request to exclude these blocks from Block Offer 2012.

Reasons submitted for request

In support of this exclusion Ngai Tahu:

- a. state that the 12PEG1, 12PEG2, and 12EC2 blocks lie over the Hikurangi Trench and offshore from Kaikoura Canyon.
- b. submit these areas are associated with high productivity and are internationally significant for a range of marine creatures, some protected under law, some endangered and many vulnerable to disturbance by human activity.

<i>Exclusion of blocks 12PEG1, 12PEG2 and 12EC2</i>	
Considerations	Analysis
<i>What it is about the area that makes it important to the mana of iwi and Hapū;</i>	Ngai Tahu consider these areas are of significant cultural and historical importance.
<i>Whether the area is a known wāhi tapu site;</i>	As above.
<i>The uniqueness of the area; for example, whether it is one of a number of mahinga kai (food gathering) areas or the only waka tauranga (the landing places of the ancestral canoes);</i>	As above.
<i>Whether the importance of the area to iwi and Hapū has already been demonstrated, for example by Treaty claims and settlements and</i>	Ngai Tahu's Treaty claim has now been settled. The settlement legislation contains a Statutory Acknowledgment in respect of the Kaikoura Coastal Marine Area, however the settlement did not extend to any areas beyond 12 nautical miles. 12PEG1 and

<i>objections under other legislation;</i>	12PEG2 are beyond 12 nautical miles. 12EC2 is off the Wairarapa coast.
<i>Any Treaty claims which may be relevant and whether granting a permit over the land would impede the prospect of redress of grievances under the Treaty;</i>	<p>As above.</p> <p>Under the Petroleum Act 1937 petroleum was declared to be property of the Crown for the benefit of all New Zealanders and is therefore not available for any redress of grievances under the Treaty.</p> <p>The granting of a permit does not constitute the creation of an interest in land (section 92 of the Crown Minerals Act 1991 (CMA)).</p> <p>Accordingly, following discussions with OTS, MED officials consider the grant of a petroleum permit under the CMA will not affect the Crown's ability to return land as part of a Treaty settlement or otherwise impede the prospect of any redress under the Treaty.</p>
<i>Any iwi management plans in place in which the area is specifically mentioned as being important and should be excluded from certain activities;</i>	Ngai Tahu have several regional iwi management plans, however none of these apply beyond 12 nautical miles, or to 12EC2.
<i>The area's landowner status. If the area is one of the special classes of land in section 55, landowner veto rights may protect the area;</i>	Given the size of the areas requested for exclusion it is not practicable to assess the extent or effect of the access veto right under section 55.
<i>Whether the area is already protected under other legislation, for example the Resource Management Act 1991, Conservation Act 1987, Historic Places Act 1993; and</i>	<p>Block 12EC2 lies across the territorial sea and Exclusive Economic Zone (EEZ) boundary and will be covered by the Resource Management Act 1991 (RMA) and EEZ legislation once enacted. Block 12EC2 is in part within the coastal marine area – activities (and the adverse effects of activities) in that space are stringently controlled under Horizons One Plan, the Hawkes Bay Regional Resource Management Plan, and the Hawkes Bay Regional Coastal Plan.</p> <p>Under section 6 of the RMA, all decision makers are required to recognise and provide for “the relationship of Māori and their culture and traditions with their ancestral lands, water sites, waahi tapu and other taonga” as a matter of national importance.</p>

	For blocks 12PEG1 and 12PEG2, the regulation of potential adverse effects beyond the 12 nautical mile limit will be regulated under the new EEZ legislation once it is enacted, under the Maritime Transport Act 1994, which regulates spill management, and through the safety case administered by the Department of Labour.
<i>The size of area and value of the potential resource affected if the area is excluded</i>	<p>The entire blocks 12EC2, 12PEG1 and 12PEG2 are sought for exclusion.</p> <p>The value and prospectivity of 12EC2, 12PEG1 and 12PEG2 are assessed in summary as follows:</p> <p>The 2,476.5 km² 12EC2 block is highly prospective. Over 300 oil and gas seeps have been documented in the onshore portion of the East Coast Basin. The block contains the Titihaoa dry gas accumulation and strong high pressure gas shows have been encountered in wells in the centre and south of the block. This block is well covered by modern 2D seismic in the shallow water area, but sparse coverage exists in the deep-water eastern areas.</p> <p>Recent seismic data shows a deep, thick sequence of sedimentary rock which indicates the 4272.88 km² 12PEG1 block is prospective for hydrocarbons, in particular gas. Gas seeps have also been documented in the block. The block has a wide grid of modern 2D seismic and swath bathymetry. No wells have been drilled in the basin.</p> <p>Recent seismic data shows a deep, thick sequence of sedimentary rock which indicates the 2812.10 km² 12PEG2 block is prospective for hydrocarbons, in particular gas. Gas seeps have also been documented in the block. The area has a wide grid of modern 2D seismic and swath bathymetry. No wells have been drilled in the basin.</p>
<i>Other relevant considerations</i>	No other relevant considerations have been identified

Conclusion

1. The concerns raised by Ngai Tahu are primarily associated with the potential for damage to the marine environment in blocks 12PEG1, 12PEG2 and 12EC2. However specific exploration activities and their effects on the environment are

regulated under other legislation and are beyond the scope of the Crown Minerals Act 1991. It would not be appropriate to remove them from the Block Offer for this reason.

Recommendation

2. Having regard to the above matters, it is recommended that you do not exclude blocks 12PEG1, 12PEG2, and 12EC2 from Block Offer 2012 as a result of Ngai Tahu's submission.