



## **GREYMOUTH PETROLEUM**

### **Greymouth details Kowhai Field Hapu consultation**

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New Zealand owned and operated Greymouth Petroleum confirmed today that Greymouth group company, Petrochem Limited, has consulted widely with tangatawhenua hapu and iwi, as part of its ongoing Tikorangi area "Kowhai" programmes.

John Sturgess, Greymouth COO commented "We are committed to these hapu consultation processes, which form an integral part of operations planning by all Greymouth companies operating in New Zealand". Following many Otaraua hapu consultations and discussions through 2005, resource consents were granted in Q4, 2005 both for the establishment of the Kowhai well site and for the various operations associated with the drilling of eight wells at the Kowhai site. Since 2005, two separate successful drilling operations have been conducted at the Kowhai site, and resulting petroleum operations are now in progress.

Petrochem, and its predecessor operator (Swift Energy New Zealand Limited), consulted extensively with the Otaraua hapu and the wider community. Key issues which were singled out as important by the Otaraua hapu were the effects of petroleum drilling and other operations on the Tikorangi area, and the purity and preservation of local ground waters. In a commitment to the consultative process, Petrochem has placed Otaraua hapu personnel at the forefront of monitoring operations to ensure these key hapu issues were being correctly addressed.

Petrochem has been advised by technical experts and archaeologists that there are no outstanding issues in relation to the proposed 300 metre underboring of a gas export pipeline. The New Plymouth District Council has confirmed that the underbore is a permitted activity under the New Plymouth District Plan. Recently, following consultation with the hapu on this issue, the hapu raised an objection to the proposal. The hapu's objections have since been considered by relevant authorities (including the District Council and the New Zealand Historic Places Trust) who have provided sign-off for the underbore operation. Petrochem was therefore of the opinion that the consultative process was complete and diligently embarked on carrying out its obligations. Last weekend Petrochem was blocked by the New Zealand Police from mobilising equipment to the site. It is understood that at the time the hapu promised the Police that they needed time to raise the issue with the Environmental Court. Petrochem now waits patiently to hear from either the Police or the Courts.

Petrochem remains confident that the proposed underbore operation can be conducted with no adverse technical impact on the Tikorangi area. Other groups/competitors in the area are delaying the 1.5 km connection to the national gas grid and the hapu have time to ensure that their spiritual issues are addressed by the Authorities, provided they act promptly.

Greymouth Petroleum group companies hold the Turangi, Kowhai, Moturoa, Kaimiro, Ngatoro, Surrey, Windsor and Radnor oil and gas fields in Taranaki. In Chile, Greymouth's Petromagallanes companies hold oil and gas properties through the Straits of Magellan and on Tierra del Fuego. Gas from the Kowhai field will be used for New Zealand domestic fertiliser production.

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