Taranaki Ventures Limited Arakamu Exploration Wellsite Monitoring Programme Report 2012-2013

Technical Report 2013–109

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Executive summary

Taranaki Ventures Limited established a hydrocarbon exploration site located on Rawhitiroa Road, within the Eltham district, in the Waingongoro catchment. The site is called Arakamu wellsite. This report covers the period from October 2012-June 2013. During this period, a wellsite was established, and two wells were drilled and tested. The two wellheads remain onsite; however, they are not currently in production.

This report for Taranaki Ventures Limited describes the monitoring programme implemented by the Taranaki Regional Council (the Council) to assess Taranaki Ventures Limited 's environmental performance in relation to drilling operations at the Arakamu wellsite during the period under review, and the results and environmental effects of Taranaki Ventures Limited 's activities.

Taranaki Ventures Limited holds a total of 5 resource consents for the activities at the Arakamu wellsite, which include a total of 53 consent conditions setting out the requirements that Taranaki Ventures Limited must satisfy. Taranaki Ventures Limited holds consent **9379-1** to take groundwater; consent **9380-1** to discharge emissions to air associated with exploration activities; consent **9381-1** to discharge stormwater and sediment from earthworks during construction onto and into land; consent **9379-1** to discharge emissions to air associated with production activities; and consent **9377-1** to discharge treated stormwater and produced water associated with exploration activities to land.

The Council's monitoring programme for the period under review included 11 inspections of the site and surrounding environment, at approximately fortnightly intervals. In total 6 stormwater samples were collected for analysis.

The monitoring showed that, in general, good processes and procedures were implemented. A strong focus on the environment by all personnel ensured that the site was mostly clean and tidy.

Any spills on-site were quickly cleaned up to avoid the potential for a contaminant to travel to surface water. The site's stormwater system worked effectively.

Owing to the distance of the wellsite to the nearest stream being over 500 m, chemical analysis or a bio-monitoring survey was un-necessary as no evidence of effects on the stream environment were observed by the Inspecting Officer and the distance of separation meant it was implausible there could be any effects under any circumstances.

Staff on-site were cooperative with requests made by officers of the Council, with any required works being completed quickly and to a satisfactory standard.

The drilling fluids and cuttings were disposed of off site.

During the monitoring period, Taranaki Ventures Limited demonstrated a high level of environmental performance and compliance with the resource consents. The site was generally neat, tidy, and well maintained.

This report includes recommendations for future drilling operations at this and other sites.

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1. Introduction

1.1 Compliance monitoring programme reports and the Resource Management Act 1991

1.1.1 Introduction

This report is for the period October 2012- June 2013 by the Taranaki Regional Council (the Council) on the monitoring programme associated with resource consents held by Taranaki Ventures Limited. During the period under review, Taranaki Ventures Limited established a wellsite, and drilled and tested two wells.

This report covers the results and findings of the monitoring programme implemented by the Council in respect of the consents held by Taranaki Ventures Limited that relate to exploration activities at the Arakamu wellsite located off Rawhitiroa Road, within the Eltham district, in the Waingongoro catchment.

One of the intents of the Resource Management Act 1991 (the Act) is that environmental management should be integrated across all media, so that a consent holder's use of water, air, and land should be considered from a single comprehensive environmental perspective. Accordingly, the Council generally implements integrated environmental monitoring programmes and reports the results of the programmes jointly. This report discusses the environmental effects of Taranaki Ventures Limited's use of water, land, and air, and is the second report by the Council for the site.

1.1.2 Structure of this report

Section 1 of this report is a background section. It sets out general information about compliance monitoring under the Act and the Council's obligations and general approach to monitoring sites through annual programmes, the resource consents held by Taranaki Ventures Limited in the Waingongoro catchment, the nature of the monitoring programme in place for the period under review, and a description of the activities and operations conducted at the Arakamu wellsite during exploration activities.

Section 2 presents the results of monitoring during the period under review, including scientific and technical data.

Section 3 discusses the results, their interpretation, and their significance for the environment.

Section 4 presents recommendations to be implemented during future drilling operations.

A glossary of common abbreviations and scientific terms, and a bibliography, are presented at the end of the report.

1.1.3 The Resource Management Act (1991) and monitoring

The Resource Management Act primarily addresses environmental `effects' which are defined as positive or adverse, temporary or permanent, past, present or future, or cumulative. Effects may arise in relation to:

- (a) the neighbourhood or the wider community around a discharger, and may include cultural and socio-economic effects;
- (b) physical effects on the locality, including landscape, amenity and visual effects;
- (c) ecosystems, including effects on plants, animals, or habitats, whether aquatic or terrestrial;
- (d) natural and physical resources having special significance (eg, recreational, cultural, or aesthetic) and;
- (e) risks to the neighbourhood or environment.

In drafting and reviewing conditions on discharge permits, and in implementing monitoring programmes, the Taranaki Regional Council is recognising the comprehensive meaning of `effects' in as much as is appropriate for each discharge source. Monitoring programmes are not only based on existing permit conditions, but also on the obligations of the Resource Management Act to assess the effects of the exercise of consents. In accordance with section 35 of the Resource Management Act 1991, the Council undertakes compliance monitoring for consents and rules in regional plans; and maintains an overview of performance of resource users against regional plans and consents. Compliance monitoring, including impact monitoring, also enables the Council to continuously assess its own performance in resource management as well as that of resource users particularly consent holders. It further enables the Council to continually re-evaluate its approach and that of consent holders to resource management, and, ultimately, through the refinement of methods, to move closer to achieving sustainable development of the region's resources.

1.1.4 Evaluation of environmental and consent performance

Besides discussing the various details of the performance and extent of compliance by the consent holder during the period under review, this report also assigns an overall rating. The categories used by the Council, and their interpretation, are as follows:

- a **high** level of environmental performance and compliance indicates that essentially there were no adverse environmental effects to be concerned about, and no, or inconsequential (such as data supplied after a deadline) noncompliance with conditions.
- a **good** level of environmental performance and compliance indicates that adverse environmental effects of activities during the monitoring period were negligible or minor at most, or, the Council did not record any verified unauthorised incidents involving significant environmental impacts and was not obliged to issue any abatement notices or infringement notices, or, there were perhaps some items noted on inspection notices for attention but these items were not urgent nor critical, and follow-up inspections showed they have been dealt with, and any inconsequential non compliances with conditions were resolved positively, cooperatively, and quickly.

- improvement required (environmental compliance) or improvement required (administrative compliance) (as appropriate) indicates that the Council may have been obliged to record a verified unauthorised incident involving measurable environmental impacts, and/or, there were measurable environmental effects arising from activities and intervention by Council staff was required and there were matters that required urgent intervention, took some time to resolve, or remained unresolved at the end of the period under review, and/or, there were on-going issues around meeting resource consent conditions even in the absence of environmental effects. Abatement notices may have been issued.
- **poor performance (environmental compliance)** or **poor performance** (administrative compliance) indicates generally that the Council was obliged to record a verified unauthorised incident involving significant environmental impacts, or there were material failings to comply with resource consent conditions that required significant intervention by the Council even in the absence of environmental effects. Typically there were grounds for either a prosecution or an infringement notice.

For reference, in the 2012-2013 year, 35% of consent holders in Taranaki monitored through tailored compliance monitoring programmes achieved a high level of environmental performance and compliance with their consents, while another 59% demonstrated a good level of environmental performance and compliance with their consents.

1.2 Process description

Site management

Taranaki Ventures Limited holds the 10 year Petroleum Exploration Permit No. 51151 to prospect and explore for condensate, gas, LPG, oil and petroleum within an area of 241.650 Km². The Arakamu wellsite is one of many sites within this area that have been established in order to explore, evaluate and produce hydrocarbons.

The Arakamu wellsite is located approximately 2.5 km along Rawhitiroa Road, approximately 4 km from Eltham.

The Arakamu wellsite was established in 2012, over a previously reinstated wellsite. This involved the removal of topsoil to create a firm level platform on which to erect a drilling rig and house associated equipment. Site establishment also involved the installation of:

- Wastewater control, treatment and disposal facilities;
- A system to collect and control stormwater and contaminants;
- A flare pit; and
- Other on-site facilities such as accommodation, parking and storage.

The nearest residence is approximately 150 m away from the wellsite. Bunding, earthworks and good site location helped minimise any potential for off-site effects for the neighbours.

Well creation

The process of drilling a well can take a few weeks to several months, depending on the depth of the well, the geology of the area, and whether the well is vertical or horizontal.

Drilling fluids, more commonly known as 'drilling muds', are required in the drilling process for a number of reasons, including:

- As a safety measure to ensure that any pressurised liquids encountered in the rock formation are contained;
- To transport drill cuttings to the surface;
- To cool and lubricate the drilling bit;
- To provide information to the drillers about what is happening down hole and the actual geology being drilled; and
- To maintain well pressure and lubricate the borehole wall to control cave-ins and wash-outs.

The well is drilled progressively using different sized drill bits. The width of the well is widest at the surface as smaller drill bits are used as the well gets deeper. Once each section of the well is drilled, a steel casing is installed. Cement is then pumped down the well to fill the annulus (the space between the steel casing and the surrounding country rock). This process is repeated until the target depth is reached, with each section of steel casing interlocked with the next.

Production tubing is then fitted within the steel casing to the target depth. A packer is fitted between the production tubing and casing to stop oil/gas/produced water from entering the annulus. The packer is pressure tested to ensure it is sealed.

The construction aspects that are most important for a leak-free well include the correct composition and quality of the cement used, the installation method, and the setting time. The aim is to ensure that the cement binds tightly to the steel casing and the rock, and leaves no cavities through which liquids and gases could travel.

Once the well is sealed and tested the casing is perforated at the target depth, allowing fluids and gas to flow freely between the formation and the well.

Management of stormwater, wastewater and solid drilling waste

The Arakamu wellsite is located over 500 m to the west of the nearest waterbody which is an unnamed tributary of the Waingongoro catchment.

Management systems were put in place to avoid any adverse effects on the surrounding environment from exploration and production activities on the wellsite. There are several sources of potential contamination from water and solid waste material which require appropriate management. These include:

• Stormwater from 'clean' areas of the site [e.g. parking areas] which run off during rainfall. There is potential that this runoff will pick up small amounts of hydrocarbons and silt due to the nature of the activities on-site;

- Stormwater which collects in the area surrounding the drilling platform and ancillary drilling equipment. This stormwater has a higher likelihood of contact with potential contaminants, particularly drilling mud;
- Produced water which flows from the producing formation and is separated from the gas and water phase at the surface; and
- Drill cuttings, mud and residual fluid which are separated from the liquid waste generated during drilling.

An important requirement of the site establishment is to ensure that the site is contoured so that all stormwater and any runoff from 'clean' areas of the site flow into perimeter drains. The drains direct stormwater into a skimmer pit system on-site consisting of two settling ponds. Any hydrocarbons present in the stormwater float to the surface and can be removed. The ponds also provide an opportunity for suspended sediment to settle. Treated stormwater is then discharged from the wellsite onto and into land. There was a considerable distance between the wellsite and the nearest surface water course, an unnamed tributary in the Waingongoro catchment.

Drilling mud and cuttings brought to the surface during drilling operations are separated out using a shale shaker. The drilling mud and some of the water is then reused for the drilling process. Cuttings were collected in bins located at the base of the shaker and disposed of offsite at a consented facility.

Flaring from exploration activities

It is possible that flaring may occur during the following activities:

- Well testing and clean-up;
- Production testing;
- Emergencies; and
- Maintenance and enhancement activities [well workovers].



Photo 1 Photo showing the Arakamu wellsite



Photo 2 Aerial view showing the location of Arakamu wellsite.

1.3 Resource consents

1.3.1 Background

Taranaki Ventures Limited holds 5 resource consents related to exploration activities at the Arakamu wellsite site, as follows:

• Water Permit 9378-1; granted 18 October 2012,

- Discharge Permit 9377-1; granted 18 October 2012,
- Discharge Permit 9381-1; granted 18 October 2012,
- Discharge Permit 9379-1; granted 21 November 2012 and
- Discharge Permit **9380-1**; granted 21 November 2012.

Each of the consent applications were processed on a non-notified basis as Taranaki Ventures Limited obtained the landowner approvals as an affected party, and the Council were satisfied that the environmental effects of the activity would be minor. The consents are discussed in further detail below.

Copies of the consents and the Council reports describing the associated activities are contained within Appendix I of this report.

1.3.2 Water abstraction permit (groundwater)

Section 14 of the Act stipulates that no person may take, use, dam or divert any water, unless the activity is expressly allowed for by resource consent or a rule in a regional plan, or it falls within some particular categories set out in Section 14.

The Council determined that the application to take groundwater fell within Rule 49 of the Regional Freshwater Plan for Taranaki (RFWP) as the rate and daily volume of the groundwater abstraction might exceed that of the permitted activity (Rule 48). Rule 49 provides for groundwater abstraction as a controlled activity, subject to two conditions:

- The abstraction shall cause not more than a 10% lowering of static water-level by interference with any adjacent bore;
- The abstraction shall not cause the intrusion of saltwater into any fresh water aquifer.

Taranaki Ventures Limited holds water permit **9378-1** to take groundwater that may be encountered as produced water during exploration and production operations at the Arakamu wellsite.

Any produced water will be from reserves far below that which is used for domestic or farm purposes. In addition, there are no known groundwater abstractions within a radial distance of 500 m from the wellsite. Shallow fresh groundwater (which does not have any saltwater content) was protected by casing within the bore hole. Given these factors, the abstraction would not cause the above effects.

In granting the consent it was considered that the taking of groundwater was unlikely to have any adverse effect on the environment.

The Council was satisfied that the proposed activity would meet all the standards for a controlled activity. It was therefore obliged to grant the consent but imposed conditions in respect of those matters over which it reserved control. Those matters over which the Council reserved its control were:

- Volume and rate of abstraction;
- Daily timing of abstraction;

- Effects on adjacent bores, the aquifer, river levels, wetlands and sea water intrusion;
- Fitting of equipment to regulate flows and to monitor water volumes, levels, flows and pressures;
- Payment of administrative charges;
- Monitoring and report requirements;
- Duration of consent; and
- Review of the conditions of consent and the timing and purpose of the review.

This permit was issued by the Council on 18 October 2012 under Section 87(d) of the Act. It is due to expire on 1 June 2029.

Consent conditions were imposed on Taranaki Ventures Limited to ensure that adverse effects were avoided in the first instance. A summary of conditions can be viewed within Table 2, Section 3.3.

A copy of the permit is attached to this report in Appendix 1.

1.3.3 Water discharge permit (treated stormwater and treated produced water)

Section 15(1)(a) of the Act stipulates that no person may discharge any contaminant into water, unless the activity is expressly allowed for by a resource consent or a rule in a regional plan, or by national regulations.

The Council determined that the application to discharge treated stormwater, treated produced water and surplus drill water fell within Rule 44 of the RFWP, which provides for a discharge as a discretionary activity.

The discharge of stormwater may result in contaminants (e.g. sediment, oil) entering surface water. These contaminants have the potential to smother or detrimentally affect in-stream flora and fauna. On-site management of stormwater, as discussed in 1.2 above, is necessary to avoid/remedy any adverse effects on water quality.

Taranaki Ventures Limited holds water discharge permit **9377-1** to discharge treated stormwater and produced water from hydrocarbon exploration and production operations at the Arakamu wellsite onto and into land.

Consent conditions were imposed on Taranaki Ventures Limited to ensure that adverse effects were avoided in the first instance. A summary of conditions can be viewed in Table **5**, Section 3.3.

This permit was issued by the Council on 18 October 2012 under Section 87(e) of the Act. It is due to expire on 1 June 2029. A copy of the permit is attached to this report in Appendix I.

1.3.4 Water discharge permit (stormwater and sediment – earthworks)

Section 15(1)(a) of the Act stipulates that no person may discharge any contaminant into water, unless the activity is expressly allowed for by a resource consent or a rule in a regional plan, or by national regulations.

Council considered that the application to discharge stormwater and sediment during site construction fell under Rule 27 of the RFWP as a controlled activity (which may be non-notified without written approval), subject to one standard/term/condition to be met:

• A site erosion and sediment control management plan shall be submitted to the Taranaki Regional Council.

Taranaki Ventures Limited supplied a site erosion and sediment control management plan in support of the application.

The Council was satisfied that the activity would meet all the standards for a controlled activity. It was therefore obliged to grant the consent but imposed conditions in respect of those matters over which it reserved control. Those matters over which the Council reserved its control were:

- Approval of a site erosion and sediment control management plan and the matters contained therein;
- Setting of conditions relating to adverse effects on water quality and the values of the waterbody;
- Timing of works;
- Any measures necessary to reinstate the land following the completion of the activity;
- Monitoring and information requirements;
- Duration of consent;
- Review of conditions of consent and the timing and purpose of the review; and
- Payment of administrative charges and financial contributions.

Taranaki Ventures Limited holds water discharge permit **9381-1** to discharge stormwater and sediment from earthworks during construction of the Arakamu wellsite onto and into land.

This permit was issued by the Council on 18 October 2012 under Section 87(e) of the Resource Management Act. It is due to expire on 1 June 2017.

Consent conditions were imposed on Taranaki Ventures Limited to ensure that adverse effects are avoided in the first instance. A summary of conditions can be viewed in Table **6**, Section 3.3.

A copy of the permit is attached to this report in Appendix I.

1.3.5 Air discharge permit (exploration activities)

Section 15(1)(c) of the Act stipulates that no person may discharge any contaminant from any industrial or trade premises into air, unless the activity is expressly allowed for by a resource consent, a rule in a regional plan, or by national regulations.

The Council determined that the application to discharge emissions to air associated with the exploration activities at the Arakamu wellsite fell within Rule 9 of the Regional Air Quality Plan (RAQP).

The standard/term/conditions associated with Rule 9 are as follows:

- Flare or incinerator point is at least 300 metres from any dwelling house;
- The discharge to air from the flare must not last longer than 15 days cumulatively, including of testing, clean-up, and completion stages of well development or work-over, per zone to be appraised; and
- No material to be flared or incinerated, other than those derived from or entrained in the well stream.

Provided the activities were conducted in accordance with the applications and in compliance with the recommended special conditions, then no significant effects were anticipated.

Taranaki Ventures Limited holds air discharge permit **9380-1** to discharge emissions to air from hydrocarbon exploration activities including flaring at the Arakamu wellsite.

This permit was issued by the Council on 21 November 2012 under Section 87(e) of the Act. It is due to expire on 1 June 2029.

Consent conditions were imposed on Taranaki Ventures Limited to ensure that adverse effects are avoided in the first instance. A summary of conditions can be viewed in Table **4**, Section 3.3.

A copy of the permit is attached to this report in Appendix I.

1.3.6 Air discharge permit (production activities)

Section 15(1)(c) of the Act stipulates that no person may discharge any contaminant from any industrial or trade premises into air, unless the activity is expressly allowed for by a resource consent, a rule in a regional plan, or by national regulations.

The Council determined that the application to discharge emissions to air associated with the production activities at the Arakamu wellsite fell within Rule 11 of the RAQP.

The standard/term/condition of Rule 11 states that the:

• Flare or incinerator point is a distance equal to or greater than 300 metres from any dwelling house.

Taranaki Ventures Limited holds air discharge permit **9379-1** to discharge emissions to air associated with production activities at the Arakamu wellsite including flaring associated with emergencies and maintenance and minor emissions from other miscellaneous activities.

This permit was issued by the Council on 21 November 2012 under Section 87(e) of the Act. It is due to expire 1 June 2029.

Consent conditions were imposed on Taranaki Ventures Limited to ensure that adverse effects are avoided in the first instance. A summary of conditions can be viewed in Table 3, Section 3.3.

A copy of the permit is attached to this report in Appendix I.

1.4 Monitoring programme

1.4.1 Introduction

Section 35 of the Act sets out obligation/s upon the Council to: gather information, monitor, and conduct research on the exercise of resource consent and the effects arising, within the Taranaki region and report upon these.

The Council may therefore make and record measurements of physical and chemical parameters, take samples for analysis, carry out surveys and inspections, conduct investigations, and seek information from consent holders.

The monitoring programme for exploration well sites consists of six primary components. They are:

- Programme liaison and management;
- Site inspections;
- Chemical sampling;
- Solid wastes monitoring;
- Air quality monitoring;
- Ecological surveys.

The monitoring programme for the Arakamu wellsite focused primarily on programme liaison and management, site inspections, and discharges to land. However, all six components are discussed below.

1.4.2 Programme liaison and management

There is generally a significant investment of time and resources by the Council in ongoing liaison with resource consent holders over consent conditions and their interpretation and application, in discussion over monitoring requirements, preparation for any reviews, renewals, or new consents, advice on the Council's environmental management strategies and the content of regional plans, and consultation on associated matters.

1.4.3 Site inspections

Inspection and examination of wellsites is a fundamental and effective means of monitoring and are undertaken to ensure that good environmental practices are adhered to and resource consent special conditions complied with.

The inspections are based on internationally recognised and endorsed wellsite monitoring best-practice checklists developed by the Alberta Energy Resources Conservation Board and the USEPA, adapted for local application. The inspections also provide an opportunity for monitoring officers to liaise with staff about on-site operations, monitoring and supervision; discuss matters of concern; and resolve any issues in a quick and informal manner.

Inspections pay special attention to the ring drains, mud sumps, treatment by skimmer pits and the final discharge point from the skimmer pit on to land and then any potential receiving waters.

During each inspection the following are checked:

- Weather;
- Flow rate of surface waters in the general vicinity;
- Flow rate of water take;
- Whether pumping of water was occurring;
- General tidiness of site;
- Site layout;
- Ring drains;
- Hazardous substance bunds;
- Treatment by skimmer pits/sedimentation pits;
- Drilling mud;
- Drill cuttings;
- Mud pit capacity and quantity contained in pit;
- Sewage treatment and disposal;
- Cementing waste disposal;
- Surface works;
- Whether flaring was in progress, and if there was a likelihood of flaring, whether the Council had been advised;
- Discharges;
- Surface waters in the vicinity for effects on colour and clarity, aquatic life and odour;
- Site records;
- General observations; and
- Odour (a marker for any hydrocarbon and hazardous chemical contamination).

1.4.4 Chemical sampling

The Council may undertake sampling of discharges from site and from sites in any receiving waters upstream and downstream of the discharge point to ensure that resource consent special conditions are complied with.

1.4.5 Solid wastes

The Council monitors any disposal of drill cuttings on-site via mix-bury-cover to ensure compliance with resource consent conditions.

In recent times consent holders have opted to remove drilling waste from the site by contractor and dispose of it at licensed disposal areas (land farming), which are monitored separately.

1.4.6 Air quality monitoring

Air quality monitoring is carried out in association with the well testing and clean-up phase, where flaring can occur.

Assessments are made by Inspecting Officers of the Council during site inspections to ensure that operators undertake all practicable steps to mitigate any effects from flaring gas.

Inspecting Officers check that the plant equipment is working effectively, that there is the provision of liquid and solid separation, and that staff onsite have regard to wind direction and speed at the time of flaring.

The flare pit is also inspected to ensure that solid and liquid hydrocarbons are not combusted within the flare pit.

The Council requires flare pits to be lined, to prevent any residual hydrocarbons entering the ground or groundwater.

It is also a requirement that the Council and immediate land owners are notified prior to any gas being flared. This requirement was checked to ensure compliance with the conditions.

1.4.7 Ecological surveys

Ecological surveys in any nearby streams may be carried out pre and post occupation of the well site to assess whether the activities carried out on-site, and associated discharges have had any effect on ecosystems. However, as the Arakamu wellsite is located at some considerable distance from any surface waters, and the fact that visual inspections of the receiving water didn't show any effects from the discharges, no ecological surveys have been undertaken during this monitoring period.

2. Results

2.1 Water

2.1.1 Inspections

The Arakamu wellsite, adjacent land and streams were inspected 11 times during this monitoring period.

Below is a copy of the comments that were noted on the day of each inspection.

24 October 2012

Earthworks had commenced to construct the new wellsite on top of the reinstated Arakamu wellsite. An earth bund had been created around the site to direct stormwater runoff to a small sediment trap before discharging onto the adjacent paddock. No issues were raised at the time of inspection and consent conditions were being complied with.

14 November 2012

Drilling continued onsite and the site was dry but the ring drains contained clear water in places. The skimmer pits contained highly discoloured stormwater. A sample was taken from the second pit for analysis. There was a discussion with staff onsite about the ring drains and getting them to flow as stormwater was pooling in places. There was a high standard of bunding of the mud pumps. The site around the rig was dry with no leaks or discharges observed.

28 November 2012

The site was dry following a period of fine weather. The skimmer pits were near empty and no discharges were occurring offsite. Drilling operations were continuing onsite. Good bunding was in place around the equipment. The operation of removing drilling mud and cuttings from site was working well with very little waste spilt to ground. There were no issues raised at the time of inspection.

10 December 2012

The site was being cleaned following completion of the well. The sumps around the mud pumps were working well. The rig was being repositioned over the original well and a side track well was to be drilled. Testing equipment had been brought onto site. No flaring had taken place. The skimmer pits were not discharging at the time of inspection. Staff onsite were advised to pump the skimmer pits out as the concentration of suspended solid appeared very high.

An unknown hydrophobic substance was observed along a small section of the ring drain. It did not appear to have reached the skimmer pits. Staff onsite were advised to remove this product.

7 January 2013

Well logging operations were taking place at the time of inspection. The site was tidy. A water sample was taken from the first skimmer pit for analysis. The second pit was empty as it had recently been pumped out.

21 January 2013

A stormwater sample was taken from the skimmer pit system for analysis to confirm whether resource consent conditions would be complied with. Stormwater was not discharging from the site at the time of inspection.

11 February 2013

The site was clean, tidy and dry. There was work progressing on site however no flaring was occurring at the time of inspection. The ring drains were in place and dry. There was no discharge from site at the time of inspection, however samples were taken from the second skimmer pit to ensure that discharge would comply with conditions should a discharge occur.

27 February 2013

The site was dry but tidy. The skimmer pits were not discharging at the time of inspection. The ring drains contained clear water in some parts. The Council's inspecting Officer was advised that a spill from a tank had occurred onsite. The spill was bunded and cleaned up and it did not reach the ring drain. No effects were observed at the time of inspection as a result of the spill.

15 March 2013

A water sample was collected for analysis from the second skimmer pit to confirm whether consent conditions would be complied with should a discharge occur.

8 April 2013

There was no activity occurring on site at the time of inspection. The site was clean and tidy. The ring drains were dry. Both pits were full but stormwater was not discharging at the time of inspection. No effects were observed as a result of stormwater discharging onto the adjacent paddock. A sample of the stormwater in the second pit was taken to confirm whether consent conditions would be complied with should a discharge occur.

26 June 2013

There was no activity on site at the time of inspection. Site inspection found that the site was clean and tidy with little equipment on site. The area around the two wellheads was also clean and tidy.

The flare pit was inspected and found to have a small amount of rain water in the base. There was no sign of any contamination within the pit. The ring drains were found to be in a good working order directing all the site's run off to the skimmer pit system. The skimmer pits were full and discharging slightly. The discharge was running into and onto land and was not reaching any surface water. A discharge sample was taken to ensure compliance with resource consent conditions.

2.1.2 Results of abstraction and discharge monitoring

During the period under review, stormwater was observed discharging on one occasion. There were 5 skimmer pit samples and 1 stormwater sample collected during the review period for this report and chemical analysis of the stormwater was carried out. All of the stormwater samples except one were collected from the second skimmer pit at the Arakamu wellsite. The exception was collected from the first skimmer pit.

Analysis of the samples collected showed that all but one of the discharges would have been in compliance with resource consent conditions should a discharge have occurred (see further below).

All sewage was directed for treatment through a septic tank system and removed by contractor to a licensed disposal facility. Inspections of the stormwater discharge found it to be mostly clear. No odours were found to be associated with the discharge.

	monitoring period					
Parameters	Consent limit	14 November 2012	7 January 2013	11 February 2013	15 March 2013	8 April 2013
Chloride (g/m ³)	50	6.1	26.1	27.2	30.8	5.7
рН	6-9	9.2	8.9	7.3	8.7	7.7
Suspended solids (g/m ³)	100	413	12	41	5	4
Hydrocarbon (g/m ³⁾	15	-	<0.5	<0.5	<0.5	<0.5

 Table 1
 Results of water samples taken from the skimmer pits on 5 occasions during the monitoring period

Table 2	Results of discharge water samples taken on 26 June 2013
	results of discharge water samples taken on 20 build 2010

Parameters	Consent limit	26 June 2013
Chloride (g/m ³)	50	13.0
рН	6-9	7.5
Suspended solids (g/m ³)	100	20
Hydrocarbon (g/m ³⁾	15	<0.5

On 14 November 2012, a sample taken from the skimmer pit showed an elevated pH. Upon investigation it was considered that this was due to the consequences of photosynthetic activity of algae growing in the skimmer pit under hot, sunny and dry conditions, rather than any chemical source. The water level in the pit was very low at the time of inspection. It was considered by Council officers that should enough rain fall to cause a discharge, the pH would fall to well within consent limits prior to any discharge occurring. No remedial action was required by the Council.

Also on 14 November 2012, a sample taken from the skimmer pit showed an elevated suspended solids concentration. It was found to be four times higher than resource consent conditions allow, however no discharge was observed at the time of inspection, and hence there was no non-compliance. Wellsite staff addressed the potential for a non-compliance by cleaning out the skimmer pits.

2.1.3 Results of receiving environment monitoring

The authorised discharges offsite were onto land from the skimmer pits. It is considered that the discharge was unlikely to reach a surface water body due to the small catchment area of the site and the considerable separation between wellsite and any surface waters. The receiving surface water body was visually inspected in conjunction with site inspections. No effects were observed and the stream appeared clear with no visual change in colour or clarity. There was also no odour, oil, grease films, scum, foam or suspended solids observed in the stream during the monitoring period.

2.2 Air

2.2.1 Inspections

Air quality monitoring inspections were carried out in conjunction with general compliance monitoring inspections. See Section 2.1.1 above for comments concerning site inspections.

2.2.2 Results of discharge monitoring

The flare pit was inspected during most inspections to ensure that solid and liquid hydrocarbons were not combusted within the flare pit. There was no evidence to suggest that solid and liquid hydrocarbons were being combusted through the gas flare system.

From observations during site inspections, it appeared that special conditions relating to the control of emissions to air from any flaring of hydrocarbons were complied with.

2.2.3 Results of receiving environment monitoring

During monitoring inspections of the site and receiving environment the Inspecting Officers found there were no offensive or objectionable odours, smoke or dust associated with activities at the Arakamu wellsite.

No chemical monitoring of air quality was undertaken during the testing phase of the Arakamu wellsite as the controls implemented by Taranaki Ventures Limited did not give rise to any concerns with regard to air quality.

As mentioned in Section 2.2.2, visual inspections of the flare, the flare pit and surrounding area were carried out and no effects were observed.

2.2.4 Other ambient monitoring

No other ambient air sampling was undertaken, as the controls implemented by Taranaki Ventures Limited did not give rise to any concerns with regard to air quality.

2.3 Land

2.3.1 Land status

The well site was constructed on a flat rural dairy farming area. Relatively minor earthworks were required to construct the site. The land had not been reinstated at the time of the last inspection (26 June 2013) although the wells are not currently producing. Two wellheads remain onsite.

2.4 Contingency plan

Taranaki Ventures Limited has provided a general contingency plan, as required by Condition **4** of resource consent **9377-1** with site specific maps which cover all onshore sites that they operate. The contingency plan has been reviewed and approved by officers of the Council.

2.5 Investigations, interventions and incidents

The Council operates and maintains a register of all complaints or reported and discovered excursions from acceptable limits and practices, including noncompliance with consents, which may damage the environment. The Unauthorised Incident Register (UIR) includes events where the company concerned has itself notified the Council. The register contains details of any investigation and corrective action taken.

Incidents may be alleged to be associated with a particular site. If there is an issue of legal liability, the Council must be able to prove by investigation that the identified company is indeed the source of the incident (or that the allegation cannot be proven).

In the period under review, there were no incidents recorded by the Inspecting Officers during inspections.

Any minor actual or potential non-compliance with consent conditions were addressed during site inspections. Taranaki Ventures Limited staff would quickly take steps to ensure that requests made by Council Inspecting Officers were adhered to without delay.

3. Discussion

3.1 Discussion of consent exercise

Of the 5 resource consents relating to the Arakamu wellsite, consents **9378-1** (take groundwater), **9377-1** (to discharge treated stormwater and produced water), and **9381-1** (to discharge stormwater and sediment from earthworks during construction) were exercised and actively monitored.

Flaring in association either with production activities or with exploration activities was not undertaken during the monitoring period as permitted by resource consents **9379-1** (air discharge associated with production) and **9380-1** (air discharge associated with exploration).

Monitoring has shown that the management on-site ensured no effects to the environment occurred during the monitoring period.

3.2 Environmental effects of exercise of consents

Stormwater

The discharge of stormwater from earthworks has the potential for sediment and other contaminants to enter surface water where it may detrimentally affect instream flora and fauna. To mitigate these effects, Taranaki Ventures Limited established perimeter drains during the construction of the wellsite, and care was taken to ensure runoff from disturbed areas was directed into the drains or directed through adequate silt control structures.

Once the well was constructed, attention was given to controlling stormwater that ran off the wellsite and the associated plant and equipment.

Adverse effects on surface water quality can occur if contaminated water escapes through the stormwater system. Interceptor pits are designed to trap sediment and hydrocarbons through gravity separation. Any water that is unsuitable for release via the interceptor pits was directed to the drilling sumps, or removed for off-site disposal.

Taranaki Ventures Limited also undertook the following mitigation measures in order to minimize off-site adverse effects:

- All stormwater was directed via perimeter drains to the skimmer pits for treatment prior to discharge;
- Additional bunding was constructed around the bulk fuel tank, chemical storage area, and other areas where runoff from areas containing contaminants could occur;
- Skimmer pits were cleaned out when required;
- Regular inspections of the interceptor pits occurred; and
- Maintenance and repairs were carried out if required.

Interceptor pits do not discharge directly to surface water, instead they discharge onto and into land where the discharge usually soaks into the soil before reaching

any surface water. At the Arakamu site, there was a considerable separation distance between the point of discharge of stormwater and the nearest surface waterway.

There are numerous on-site procedures included in drilling and health and safety documentation that are aimed at preventing spills on-site, and further procedures that address clean-up to remedy a spill situation before adverse environmental effects have the opportunity to occur (e.g. bunding of chemicals and bulk fuel).

Groundwater

Small amounts of groundwater may have been encountered as produced water during operations at the wellsite. It was anticipated that the abstraction of groundwater would not impact on any groundwater resource and that the groundwater would not be affected as it would be protected by the well casing.

Flaring

The environmental effects from flaring have been evaluated in monitoring reports prepared by the Council in relation to the flaring emissions from specific wells in the region.

The Council has previously undertaken field studies at two wells (one gas, and the other producing oil and heavier condensates); together with dispersion modelling at a third site¹. More recently two studies have focused on field investigations and modelling of emissions from flares involving fracturing fluids.²

In brief, the previous studies found that measurements of carbon monoxide, carbon dioxide, and methane concentrations to be safe at all points downwind, including within 50 m of the flare pit. Measurements of suspended particulate matter found concentrations typical of background levels, and measurements of PM₁₀ found compliance with national standards even in close proximity to the flare. Beyond 120 m from the flare pit, concentrations of polyaromatic hydrocarbons (PAH) approached background levels, as did levels of dioxins beyond 250 m from the flare.

In summary, the studies established that under combustion conditions of high volume flaring of gases with some light entrained liquids etc., atmospheric concentrations of all contaminants had reduced by a distance of 250 m downwind to become essentially typical of or less than elsewhere in the Taranaki environment (e.g. urban areas). These levels are well below any concentrations at which there is any basis for concern over potential health effects.

No flaring was undertaken by Taranaki Ventures Limited at the Arakamu wellsite for the period under review.

¹ Taranaki Regional Council, Fletcher Challenge Energy Taranaki Ltd, Mangahewa 2 Gas Well Air Quality Monitoring Programme Report 1997 – 98, August 1998.

²Taranaki Regional Council: *Atmospheric Dispersion Modelling of Discharges to Air from the Flaring of Fracturing Fluid*, Backshall, March 2013; and *Investigation of air quality arising from flaring of fracturing fluids -emissions and ambient air quality, Technical Report 2012–03*, Taranaki Regional Council May 2012.

Odour and dust

Suppression of dust with water was to be implemented if it was apparent that dust may be travelling in such a direction to adversely affect off-site parties. Odour may stem from the product, flare, or some of the chemicals used on-site. Care was taken to minimise the potential for odour emissions (e.g. by keeping containers sealed, and ensuring the flare burnt cleanly).

Hazardous substances

The use and storage of hazardous substances on-site has the potential to contaminate surface water and soils in the event of a spill. In the unlikely event of a serious spill or fire, the storage of flammable materials could have resulted in air, soil and water contamination.

Taranaki Ventures Limited was required to implement the following mitigation measures:

- All potentially hazardous material were used and stored in accordance with the relevant Hazardous Substances and New Organisms regulations;
- All areas containing hazardous chemicals were bunded;
- Ignition sources were not permitted on any site;
- Sufficient separation of chemicals from the flare pit were maintained for safety reasons;
- In the unlikely event of a spill escaping from bunded areas, the site perimeter drain and interceptor pit system was implemented to provide secondary containment on-site; and
- A spill contingency plan was prepared that sets out emergency response procedures to be followed in the event of a spill.

Summary

There were no environmental effects observed to water, land or air as a result of the exploration drilling during the monitoring period.

3.3 Evaluation of performance

A tabular summary of Taranaki Ventures Limited's compliance record for the period under review is set out in Tables 3-7.

Condition requirement		Means of monitoring during period under review	Compliance achieved?		
1.	The abstraction must not cause more than a 10% lowering of static water level by interference with any adjacent bore	Complaints	Yes – no complaints were received		
2.	The abstraction does not cause the intrusion of salt water into any freshwater aquifer	Water sampling adjacent bores pre/post drilling (if warranted)	Yes		

 Table 3
 Summary of performance for Consent 9378-1 to take groundwater that may be encountered during exploration and production operations at Arakamu wellsite.

Condition requirement		Means of monitoring during period under review	Compliance achieved?
3.	A well log to 1,000 m must be submitted to the Council	Well log to 1,000 m submitted	Yes
4.	Consent shall lapse if not implemented by date specified	No provision for review during period	N/A
5.	Notice of Council to review consent	Notice of intention /not served	N/A
Ove	rall assessment of consent compliance a	High	

Table 4	Summary of performance for Consent 9379-1 to discharge emissions to air associated
	with production activities

Co	ndition requirement	Means of monitoring during period under review	Compliance achieved?	
1.	24hrs notice of flaring to the Council when flaring is longer than 5 minutes in duration	Notification received 24hrs prior to flaring	N/A – consent not exercised	
2.	Liquid and solid separation to occur before flaring to minimise smoke emissions	Inspection of flare pit and flare	N/A – consent not exercised	
3.	Only substances originating from well stream to be combusted in flare pit	Visual inspection of site	N/A – consent not exercised	
4.	Best practicable option adopted	Visually inspecting site, procedures & processes	N/A – consent not exercised	
5.	No offensive odour or smoke beyond boundary	Assessment by investigating officer	N/A – consent not exercised	
6.	All storage tanks to have vapour recovery systems fitted.	Visual inspection of site	N/A – consent not exercised	
7.	Control of carbon monoxide	Chemical analysis of emissions	N/A – consent not exercised	
8.	Control of other emissions	Chemical analysis of emissions	N/A – consent not exercised	
9.	Analysis of typical gas and condensate stream from field to be made available to the Council	Available upon request	N/A – consent not exercised	
10.	Log all flare events longer than 5 minutes (10 minutes aggregate or longer than 120 minutes) including time, duration, zone and reason for flare	Inspection of Company records	N/A – consent not exercised	
11.	Consent shall lapse if not implemented by date specified	Notification of flaring received/not received	N/A – consent not exercised	
12.	Notice of Council to review consent	No provision for review during period	N/A – consent not exercised	
Ove	Overall assessment of consent compliance and environmental performance in respect of this consent			

Co	ndition requirement	Means of monitoring during period under review	Compliance achieved?
1.	Flaring shall not occur for more than 15 days per zone, for up to four zones per well, for up to 8 wells	Inspection of records	N/A – consent not exercised
2.	24hrs notice of flaring to the Council for initial flare of each zone	Notification received 24hrs prior to flaring	N/A – consent not exercised
3.	Liquid and solid separation to occur before flaring to minimise smoke emissions	Inspection of flare pit and flare	N/A – consent not exercised
4.	No liquid or solid hydrocarbons are to be combusted in the flare pit	Inspection of flare pit and flare	N/A – consent not exercised
5.	Best practicable option adopted	Visually inspecting site, procedures & processes	N/A – consent not exercised
6.	No offensive odour or smoke beyond boundary	Assessment by investigating officer	N/A – consent not exercised
7.	Control of carbon monoxide	Inspections confirming chemical analysis not required	N/A – consent not exercised
8.	Control of other emissions	Inspections	N/A – consent not exercised
9.	Analysis of typical gas and crude oil stream from field to be made available to the Council	Available upon request	N/A – consent not exercised
10.	All storage tanks to have vapour recovery systems fitted.	Visual inspection of site	N/A – consent not exercised
11.	Log all flaring including time, duration, zone and volumes flared	Inspection of Company records	N/A – consent not exercised
12.	Report to the Council the time, duration and cause of each smoke incident	Inspection of Company records	N/A – consent not exercised
13.	Consent shall lapse if not implemented by date specified	Exercise of consent confirmed by inspection	N/A – consent not exercised
14.	Notice of Council to review consent	No provision for review during period	N/A – consent not exercised
15.	Notice of Council to review consent	No provision for review during period	N/A – consent not exercised
Ove	erall assessment of consent compliance	and environmental performance in respect of this consent	N/A – consent not exercised

Table 5 Summary of performance for Consent 9380-1 to discharge emissions to air from flaring of hydrocarbon exploration activities

Table 6 Summary of performance for Consent 9377-1 to discharge treated store	
	produced water from hydrocarbon exploration and production operations

Condition requirement		Means of monitoring during period under review	Compliance achieved?
1.	Consent holder to adopt best practicable option at all times	Visually inspecting site, procedures & processes	Yes
2.	7 days written notice prior to site works and drilling	Notification received	Yes
3.	Max stormwater catchment area 7,500 m ²	Inspection of site and records	Yes
4.	All discharges to be directed for treatment through skimmer pit. Stormwater pits to be impermeable	Visual inspection of stormwater system	Yes
5.	Constituents in the discharge shall meet standards	Sampling of discharge	Yes
6.	Discharge of chloride shall not exceed 50 ppm	Sampling of discharge	Yes
7.	Maintain a contingency plan	Contingency plan received and approved	Yes
8.	The stormwater system shall be designed, managed and maintained in accordance with information submitted	By comparing submitted & approved plans with the built site inspection	Yes
9.	Consent shall lapse if not implemented by date specified	Exercise of consent confirmed by inspection	N/A – consent exercised
10.	Notice of Council to review consent	No provision for review during period	N/A
Ove	rall assessment of consent compliance a	High	

Table 7Summary of performance for Consent 9381-1 to discharge stormwater and sediment
from earthworks during construction of the Arakamu wellsite onto and into land.

Condition requirement		Means of monitoring during period under review	Compliance achieved?
1.	Consent holder to adopt best practicable option at all times	Visually inspecting site, procedures & processes	Yes
2.	7 days written notice prior to site earthworks	Notification received	Yes
3.	7 days written notice prior to site operations and drilling	Notification received	Yes
4.	All runoff shall pass through settlement ponds or traps with a minimum capacity of 100 m ³	Site erosion and sediment control plan submitted	Yes
5.	Condition 4 will not apply when site is stabilised	Visual inspection	Yes

Condition requirement	Means of monitoring during period under review	Compliance achieved?
6. All earth worked areas shall be stabilised as soon as practicable	Visual inspection	Yes
Overall assessment of consent compliance and environmental performance in respect of this consent		High

During the monitoring period, Taranaki Ventures Limited demonstrated a high level of environmental performance and compliance with the resource consents.

3.4 Exercise of optional review of consents

Each resource consent includes a condition which allows the Council to review the consent, for the purpose of ensuring that the conditions are adequate to deal with any adverse effects on the environment arising from the exercise of the resource consent, which were not foreseen at the time the application was considered or which it was not appropriate to deal with at the time. The next provisions for review are in 2017.

Based on the results of monitoring during the period under review, it is considered that there are no grounds that require a review to be pursued. A recommendation to this effect is presented in section 4.

3.5 Change to any future monitoring programmes

In designing and implementing the monitoring programmes for air and water discharges and water abstractions at well sites in the region, the Council takes into account the extent of information made available by previous and other authorities, its relevance under the Act, the obligations of the Act in terms of monitoring emissions/discharges and effects, and of subsequently reporting to the regional community, the scope of assessments required at the time of renewal of permits, and the need to maintain a sound understanding of well site processes within Taranaki.

The Council has routinely monitored well site activities for more than 20 years in the region. This work has included in the order of hundreds of water samples and biomonitoring surveys in the vicinity of well sites, and has demonstrated robustly that a monitoring regime based on frequent and comprehensive inspections is rigorous and thorough, in terms of identifying any adverse effects from well site and associated activities. Accordingly the Council had for a time not routinely required the imposition of additional targeted physicochemical and biological monitoring unless a site-specific precautionary approach indicated this would be warranted for certainty and clarity around site effects.

However, the Council has also noted a desire by some community members for a heightened level of information feedback and certainty around the results and outcomes of monitoring at well sites to occur or has occurred. Notwithstanding the long track record of a demonstrable suitability of an inspection-based monitoring programme, the Council has therefore moved to extend the previous regime, to make the sampling and extensive analysis of treated stormwater discharge and biomonitoring of surface water ecosystems, an integral part of the basic monitoring programme for such activities.

However, in the particular case of the Arakamu wellsite, the very considerable distance between the wellsite and any surface waterbodies means that it is implausible that there could be an effect on surface water under any circumstances, and therefore ecological surveys would not be justified.

A recommendation taking this into account is presented in section 4 of this report.

4. Recommendations

- 1. THAT this report be forwarded to the Company, and to any interested parties upon request;
- 2. THAT the Company be asked to inform the Council of the intention to either drill, test or undertake reinstatement;
- 3. THAT the monitoring of future consented activities at Arakamu wellsite continue at the level implemented in 2012-2013;
- 4. THAT, subject to the findings of monitoring of any further activities at the Arakamu wellsite consents 9377-1, 9378-1, 9379-1, 9380-1, and 9381-1 shall not be reviewed in 2017.

Glossary of common terms and abbreviations

The following abbreviations and terms may have been used within this report:

aluminium
aluminium. arsenic
assessing the health of the environment using aquatic organisms biochemical oxygen demand. A measure of the presence of degradable organic matter, taking into account the biological conversion of ammonia
to nitrate
biochemical oxygen demand of a filtered sample a wall around a tank to contain its contents in the case of a leak
carbonaceous biochemical oxygen demand. A measure of the presence of degradable organic matter, excluding the biological conversion of
ammonia to nitrate colony forming units. A measure of the concentration of bacteria usually expressed as per 100 millilitre sample
chemical oxygen demand. A measure of the oxygen required to oxidise all matter in a sample by chemical reaction.
Conductivity, an indication of the level of dissolved salts in a sample, usually measured at 20°C and expressed in mS/m
copper
dissolved oxygen
dissolved reactive phosphorus
<i>Escherichia coli,</i> an indicator of the possible presence of faecal material and pathological micro-organisms. Usually expressed as colony forming units per 100 millilitre sample
Enterococci, an indicator of the possible presence of faecal material and pathological micro-organisms. Usually expressed as colony forming units per 100 millilitre of sample
Fluoride
Faecal coliforms, an indicator of the possible presence of faecal material and pathological micro-organisms. Usually expressed as colony forming units per 100 millilitre sample
elevated flow in a stream, such as after heavy rainfall
grammes per cubic metre, and equivalent to milligrammes per litre (mg/L). In water, this is also equivalent to parts per million (ppm), but the same does not apply to gaseous mixtures
an event that is alleged or is found to have occurred that may have actual or potential environmental consequences or may involve non- compliance with a consent or rule in a regional plan. Registration of an incident by the Council does not automatically mean such an outcome had actually occurred
action/s taken by Council to instruct or direct actions be taken to avoid or reduce the likelihood of an incident occurring
action taken by Council to establish what were the circumstances/events surrounding an incident including any allegations of an incident

l/s	litres per second
MCI	macroinvertebrate community index; a numerical indication of the state
	of biological life in a stream that takes into account the sensitivity of the
	taxa present to organic pollution in stony habitats
mS/m	millisiemens per metre
Mixing zone	the zone below a discharge point where the discharge is not fully mixed
	with the receiving environment. For a stream, conventionally taken as a
	length equivalent to 7 times the width of the stream at the discharge
	point.
$\rm NH_4$	ammonium, normally expressed in terms of the mass of nitrogen (N)
NH ₃	unionised ammonia, normally expressed in terms of the mass of nitrogen
	(N)
NO ₃	nitrate, normally expressed in terms of the mass of nitrogen (N)
NTU	Nephelometric Turbidity Unit, a measure of the turbidity of water
O&G	oil and grease, defined as anything that will dissolve into a particular
	organic solvent (e.g. hexane). May include both animal material (fats)
	and mineral matter (hydrocarbons)
Pb*	lead
pН	a numerical system for measuring acidity in solutions, with 7 as neutral.
	Numbers lower than 7 are increasingly acidic and higher than 7 are
	increasingly alkaline. The scale is logarithmic i.e. a change of 1 represents
	a ten-fold change in strength. For example, a pH of 4 is ten times more
	acidic than a pH of 5.
Physicochemical	measurement of both physical properties(e.g. temperature, clarity,
	density) and chemical determinants (e.g. metals and nutrients) to
	characterise the state of an environment
PM_{10}	relatively fine airborne particles (less than 10 micrometre diameter
Resource consent	refer Section 87 of the RMA. Resource consent include land use consents
	(refer Sections 9 and 13 of the RMA), coastal permits (Sections 12, 14 and
	15), water permits (Section 14) and discharge permits (Section 15)
RMA	Resource Management Act 1991 and subsequent amendments
SS	suspended solids,
Temp	temperature, measured in °C (degrees Celsius)
Turb	turbidity, expressed in NTU
UI	Unauthorised Incident
UIR	Unauthorised Incident Register – contains a list of events recorded by the
	Council on the basis that they may have the potential or actual
	environmental consequences that may represent a breach of a consent or
7*	provision in a Regional Plan
Zn*	zinc

*an abbreviation for a metal or other analyte may be followed by the letters 'As', to denote the amount of metal recoverable in acidic conditions. This is taken as indicating the total amount of metal that might be solubilised under extreme environmental conditions. The abbreviation may alternatively be followed by the letter 'D', denoting the amount of the metal present in dissolved form rather than in particulate or solid form.

For further information on analytical methods, contact the Council's laboratory

Appendix I

Resource consents

Name of	Taranaki Ventures Limited
Consent Holder:	P O Box 8440
	NEW PLYMOUTH 4342

- Decision Date: 18 October 2012
- Commencement 18 October 2012 Date:

Conditions of Consent

Consent Granted:	To discharge stormwater and sediment from earthworks during the construction of the Arakamu wellsite onto and into land in circumstances where it may enter water at or about (NZTM) 1715484E-5635211N
Expiry Date:	1 June 2017
Site Location:	Arakamu wellsite, Rawhitiroa Road, Eltham (Property owner: PB & MJ Gudopp)
Legal Description:	Pt Sec 100 & 101 Blk X Ngaere SD (Discharge source & site)
Catchment:	Waingongoro
Tributary:	Mangawharawhara Mangawhero

a. The consent holder shall pay to the Taranaki Regional Council all the administration, monitoring and supervision costs of this consent, fixed in accordance with section 36 of the Resource Management Act 1991.

Special conditions

- 1. The consent holder shall at all times adopt the best practicable option, as defined in section 2 of the Resource Management Act 1991, to prevent or minimise any actual or likely adverse effect on the environment associated with the discharge of contaminants from the site.
- 2. If any area of soil is exposed, all run off from that area shall pass through settlement ponds or sediment traps with a minimum total capacity of:
 - a) 100 cubic metres for every hectare of exposed soil between 1 November to 30 April; and
 - b) 200 cubic metres for every hectare of exposed soil between 1 May to 31 October;

unless other sediment control measures that achieve an equivalent standard are agreed to by the Chief Executive of the Taranaki Regional Council.

3. The obligation described in condition 2 above shall cease to apply, and accordingly the erosion and sediment control measures can be removed, in respect of any particular site or area of any site, only when the site is stabilised.

Note: For the purpose of conditions 3 and 4 "stabilised" in relation to any site or area means inherently resistant to erosion or rendered resistant, such as by using rock or by the application of basecourse, colluvium, grassing, mulch, or another method to the reasonable satisfaction of the Chief Executive, Taranaki Regional Council and as specified in the Taranaki Regional Council's Guidelines for Earthworks in the Taranaki Region, 2006. Where seeding or grassing is used on a surface that is not otherwise resistant to erosion, the surface is considered stabilised once, on reasonable visual inspection by an officer of the Taranaki Regional Council, an 80% vegetative cover has been established.

- 4. All earthworked areas shall be stabilised vegetatively or otherwise as soon as is practicable immediately following completion of soil disturbance activities.
- 5. At least 7 working days prior to the commencement of earthworks the consent holder shall notify the Taranaki Regional Council of the proposed start date for the earthworks. Notification shall include the consent number and a brief description of the activity consented and shall be emailed to <u>worknotification@trc.govt.nz</u>.

Signed at Stratford on 18 October 2012

For and on behalf of Taranaki Regional Council

Name of Consent Holder:	Taranaki Ventures Limited P O Box 8440 NEW PLYMOUTH 4342
Decision Date:	21 November 2012
Commencement Date:	21 November 2012

site)

Conditions of Consent

Consent Granted:	To discharge contaminants to air from hydrocarbon exploration at the Arakamu wellsite, including combustion involving flaring or incineration of petroleum recovered from natural deposits, in association with well development or redevelopment and testing or enhancement of well production flows at or about (NZTM) 1715426E-5635148N
Expiry Date:	1 June 2029
Review Date(s):	June 2017, June 2023 and in accordance with special condition 17 b)
Site Location:	Arakamu wellsite, Rawhitiroa Road, Eltham (Property owner: PB & MJ Gudopp)
Legal Description:	Pt Sec 100 & 101 Blk X Ngaere SD (Discharge source &

For General, Standard and Special conditions pertaining to this consent please see reverse side of this document

a. The consent holder shall pay to the Taranaki Regional Council [the Council] all the administration, monitoring and supervision costs of this consent, fixed in accordance with section 36 of the Resource Management Act.

Special conditions

- 1. Flaring shall not occur on more than 45 days, cumulatively, per zone for each well (with a maximum of 4 zones per well), for up to 7 wells.
- 2. Flaring shall only occur in a thermal oxidiser or flare pit that is located at NZTM 1715426E-5635148N. The flare pit shall be lined with impermeable material that prevents any liquid from leaking through its base or sidewalls.
- 3. The consent holder shall notify the Chief Executive, Taranaki Regional Council, at least 24 hours before the initial flaring of each zone being commenced. Notification shall include the consent number and a brief description of the activity consented and be emailed to worknotification@trc.govt.nz.
- 4. At least 24 hours before any flaring, other than in emergencies, the consent holder shall provide notification to all occupants of dwellings located within 1 km of the wellsite, and all landowners located within 200 metres of the wellsite, of the commencement of flaring. The consent holder shall include in the notification a 24-hour contact telephone number for a representative of the consent holder, and shall keep and make available to the Chief Executive, Taranaki Regional Council, a record of all queries and complaints received in respect of any flaring activity.
- 5. No material shall be flared or incinerated, other than those derived from or entrained in the well stream.
- 6. To the greatest extent possible, all gas that is flared must first be treated by effective liquid and solid separation and recovery.
- 7. Only gaseous hydrocarbons originating from the well stream shall be combusted, except that if, for reasons beyond the control of the consent holder, effective separation can not be achieved and combustion of liquid hydrocarbon is unavoidable, the consent holder shall reinstate effective separation as soon as possible and if separation can not be achieved within 3 hours combustion must cease.
- 8. If liquid hydrocarbon is combusted in accordance with condition 7 the consent holder shall prepare a report that details:
 - (a) the reasons that separation could not be achieved;
 - (b) the date and time that separation was lost and reinstated;
 - (c) what was done to attempt to reinstate separation and, if it the attempt was unsuccessful the reasons why.

The report shall be provided to the Chief Executive, Taranaki Regional Council within 5 working days from the date of combustion of liquid hydrocarbon.

- 9. The consent holder shall adopt the best practicable option, as defined in section 2 of the Resource Management Act 1991, to prevent or minimise any actual or potential effect on the environment arising from any emission to air from the flare, including, but not limited to, having regard to the prevailing and predicted wind speed and direction at the time of initiation of, and throughout, any episode of flaring so as to minimise offsite effects (other than for the maintenance of a pilot flare flame).
- 10. The discharge shall not cause any objectionable or offensive odour or smoke at or beyond the boundary of the property where the wellsite is located.
- 11. The consent holder shall control all emissions of carbon monoxide, nitrogen dioxide, fine particles (PM10) and sulphur dioxide to the atmosphere from the site, in order that the maximum ground level concentration of any of these contaminants arising from the exercise of this consent measured under ambient conditions does not exceed the relevant ambient air quality standard as set out in the Resource Management (National Environmental Standards for Air Quality Regulations, 2004) at or beyond the boundary of the property on which the wellsite is located.
- 12. The consent holder shall control all emissions to the atmosphere from the site of contaminants other than those expressly provided for under special condition 11, in order that they do not individually or in combination with other contaminants cause a hazardous, noxious, dangerous, offensive or objectionable effect at a distance greater than 100 metres from the flare pit.
- 13. The consent holder shall make available to the Chief Executive, Taranaki Regional Council, upon request, an analysis of a typical gas and condensate stream from the field, covering sulphur compound content and the content of carbon compounds of structure C6 or higher number of compounds.
- 14. All permanent tanks used as hydrocarbon storage vessels, shall be fitted with vapour recovery systems.
- 15. The consent holder shall record and make available to the Chief Executive, Taranaki Regional Council upon request, a 'flaring log' that includes:
 - a) the date, time and duration of all flaring episodes;
 - b) the zone from which flaring occurred;
 - c) the volume of substances flared;
 - d) whether there was smoke at any time during the flaring episode and if there was, the time, duration and cause of each 'smoke event'.
- 16. This consent shall lapse on 31 December 2017, unless the consent is given effect to before the end of that period or the Taranaki Regional Council fixes a longer period pursuant to section 125(1)(b) of the Resource Management Act 1991.

- 17. In accordance with section 128 and section 129 of the Resource Management Act 1991, the Taranaki Regional Council may serve notice of its intention to review, amend, delete or add to the conditions of this resource consent by giving notice of review:
 - a) during the month of June 2017 and/or June 2023; and/or
 - b) within 1 month of receiving a report provided in accordance with condition 8;

for any of the following purposes:

- i) dealing with any significant adverse effect on the environment arising from the exercise of the consent which was not foreseen at the time the application was considered or which it was not appropriate to deal with at the time; and/or
- ii) requiring the consent holder to adopt specific practices in order to achieve the best practicable option to remove or reduce any adverse effect on the environment caused by the discharge; and/or
- iii) to alter, add or delete limits on mass discharge quantities or ambient concentrations of any contaminant;
- iv) reducing emissions or environmental effects that may arise from any loss of separation.

Signed at Stratford on 21 November 2012

For and on behalf of Taranaki Regional Council

Director-Resource Management

Name of Consent Holder:	Taranaki Ventures Limited P O Box 8440 NEW PLYMOUTH 4342
Decision Date:	21 November 2012
Commencement Date:	21 November 2012

Conditions of Consent

- Consent Granted: To discharge emissions to air associated with hydrocarbon producing wells at the Arakamu wellsite at or about (NZTM) 1715426E-5635148N
- Expiry Date: 1 June 2029
- Review Date(s): June 2017, June 2023
- Site Location: Arakamu wellsite, Rawhitiroa Road, Eltham (Property owner: PB & MJ Gudopp)
- Legal Description: Pt Sec 100 & 101 Blk X Ngaere SD (Discharge source & site)

a. The consent holder shall pay to the Taranaki Regional Council [the Council] all the administration, monitoring and supervision costs of this consent, fixed in accordance with section 36 of the Resource Management Act.

Special conditions

- Other than in emergencies, the consent holder shall notify the Chief Executive, Taranaki Regional Council, whenever the continuous flaring of hydrocarbons (other than purge gas) is expected to occur for more than five minutes in duration. Notification shall be no less than 24 hours before the flaring commences. Notification shall include the consent number and be emailed to <u>worknotification@trc.govt.nz</u>.
- 2. At least 24 hours before any flaring, other than in emergencies, the consent holder shall provide notification to all occupants of dwellings located within 1 km of the wellsite and all landowners located 200 metres of the wellsite, of the commencement of flaring. The consent holder shall include in the notification a 24-hour contact telephone number for a representative of the consent holder, and shall keep and make available to the Chief Executive, Taranaki Regional Council, a record of all queries and complaints received in respect of any flaring activity.
- 3. The flare shall be located at NZTM 1715426E-5635148N.
- 4. To the greatest extent possible, all gas that is flared must first be treated by effective liquid and solid separation and recovery.
- 5. No material shall be flared or incinerated, other than those derived from or entrained in the well stream.
- 6. The consent holder shall adopt the best practicable option, as defined in section 2 of the Resource Management Act 1991, to prevent or minimise any actual or potential effect on the environment arising from any emission to air from the flare, including, but not limited to, having regard to the prevailing and predicted wind speed and direction at the time of initiation of, and throughout, any episode of flaring so as to minimise offsite effects (other than for the maintenance of a pilot flare flame).
- 7. The discharge shall not cause any objectionable or offensive odour or smoke at or beyond the boundary of the property where the wellsite is located.
- 8. All permanent tanks used as hydrocarbon storage vessels, shall be fitted with vapour recovery systems.
- 9. The consent holder shall control all emissions of carbon monoxide, nitrogen dioxide, fine particles (PM10) and sulphur dioxide to the atmosphere from the site, in order that the maximum ground level concentration of any of these contaminants arising from the exercise of this consent measured under ambient conditions does not exceed the relevant ambient air quality standard as set out in the Resource Management (National Environmental Standards for Air Quality Regulations, 2004) at or beyond the boundary of the property on which the wellsite is located.

- 10. The consent holder shall control all emissions to the atmosphere from the site of contaminants other than those expressly provided for under special condition 8, in order that they do not individually or in combination with other contaminants cause a hazardous, noxious, dangerous, offensive or objectionable effect at or beyond the boundary of the property on which the wellsite is located.
- 11. The consent holder shall make available to the Chief Executive, Taranaki Regional Council, upon request, an analysis of a typical gas and condensate stream from the field, covering sulphur compound content and the content of carbon compounds of structure C6 or higher number of compounds.
- 12. The consent holder shall record and make available to the Chief Executive, Taranaki Regional Council, a 'flaring log' that includes:
 - a) the date, time and duration of all flaring episodes;
 - b) the zone from which flaring occurred;
 - c) the volume of substances flared;
 - d) whether there was smoke at any time during the flaring episode and if there was, the time, duration and cause of each 'smoke event'.
- 13. This consent shall lapse on 31 December 2017, unless the consent is given effect to before the end of that period or the Taranaki Regional Council fixes a longer period pursuant to section 125(1)(b) of the Resource Management Act 1991.
- 14. In accordance with section 128 and section 129 of the Resource Management Act 1991, the Taranaki Regional Council may serve notice of its intention to review, amend, delete or add to the conditions of this resource consent by giving notice of review during the month of June 2017 and/or June 2023, for any of the following purposes:
 - a) dealing with any significant adverse effect on the environment arising from the exercise of the consent which was not foreseen at the time the application was considered or which it was not appropriate to deal with at the time; and/or
 - b) requiring the consent holder to adopt specific practices in order to achieve the best practicable option to remove or reduce any adverse effect on the environment caused by the discharge; and/or
 - c) to alter, add or delete limits on mass discharge quantities or ambient concentrations of any contaminant.

Signed at Stratford on 21 November 2012

For and on behalf of Taranaki Regional Council

Name of Consent Holder:	Taranaki Ventures Limited P O Box 8440 NEW PLYMOUTH 4342	
Decision Date:	18 October 2012	

Commencement 18 October 2012 Date:

Conditions of Consent

- Consent Granted: To take groundwater that may be encountered during exploration and production activities associated with up to seven wells at the Arakamu wellsite at or about (NZTM) 1715484E-5635211N
- Expiry Date: 1 June 2029
- Review Date(s): June 2017, June 2023
- Site Location: Arakamu wellsite, Rawhitiroa Road, Eltham (Property owner: PB & MJ Gudopp)
- Legal Description: Pt Sec 100 & 101 Blk X Ngaere SD (Site of take & use)
- Catchment: Waingongoro
- Tributary: Mangawharawhara Mangawhero

a. The consent holder shall pay to the Taranaki Regional Council all the administration, monitoring and supervision costs of this consent, fixed in accordance with section 36 of the Resource Management Act 1991.

Special conditions

- 1. The consent holder shall ensure the abstraction does not cause more than a 10% lowering of static water-level by interference with any adjacent bore.
- 2. The consent holder shall ensure the abstraction does not cause the intrusion of salt water into any freshwater aquifer.
- 3. The consent holder shall submit a summary well log to a depth of 1000 metres, within three months of the completion of drilling. The report shall:
 - a) provide a log to show the true vertical depth to all geological formation tops intersected within the freshwater zone;
 - b) identify the true vertical depth to, and thickness of, any freshwater aquifers intersected by the well;
 - c) identify the true vertical depth to the freshwater- saline water interface in the well.
- 4. This consent shall lapse on 31 December 2017 unless the consent is given effect to before the end of that period or the Taranaki Regional Council fixes a longer period pursuant to section 125(1)(b) of the Resource Management Act 1991.
- 5. In accordance with section 128 and section 129 of the Resource Management Act 1991, the Taranaki Regional Council may serve notice of its intention to review, amend, delete or add to the conditions of this resource consent by giving notice of review during the month of June 2017 and/or June 2023, for the purpose of ensuring that the conditions are adequate to deal with any adverse effects on the environment arising from the exercise of this resource consent, which were either not foreseen at the time the application was considered or which it was not appropriate to deal with at the time.

Signed at Stratford on 18 October 2012

For and on behalf of Taranaki Regional Council

Director-Resource Management

Name of Consent Holder:	Taranaki Ventures Limited P O Box 8440 NEW PLYMOUTH 4342
Decision Date:	18 October 2012
Commencement Date:	18 October 2012

Conditions of Consent

- Consent Granted: To discharge stormwater and produced water from hydrocarbon exploration and production activities at the Arakamu wellsite onto and into land in circumstances where it may enter water at or about (NZTM) 1715483E-5635155N
- Expiry Date: 1 June 2029
- Review Date(s): June 2017, June 2023
- Site Location: Arakamu wellsite, Rawhitiroa Road, Eltham (Property owner: PB & MJ Gudopp)
- Legal Description: Pt Sec 100 & 101 Blk X Ngaere SD (Discharge source & site)
- Catchment: Waingongoro
- Tributary: Mangawharawhara Mangawhero

For General, Standard and Special conditions pertaining to this consent please see reverse side of this document

a. The consent holder shall pay to the Taranaki Regional Council all the administration, monitoring and supervision costs of this consent, fixed in accordance with section 36 of the Resource Management Act 1991.

Special conditions

- 1. The consent holder shall at all times adopt the best practicable option, as defined in section 2 of the Resource Management Act 1991, to prevent or minimise any actual or likely adverse effect on the environment associated with the discharge of contaminants from the site.
- 2. Stormwater discharged shall be collected from a catchment area of no more than 1 ha.
- 3. At least 5 working days prior, the consent holder shall advise the Chief Executive, Taranaki Regional Council of the date of each of the following events:
 - a) commencement of any site works, and
 - b) commencement of any well drilling operation.

If either of these events is rescheduled or delayed, the consent holder shall immediately provide further notice advising of the new date.

Any advice given in accordance with this condition shall include the consent number and a brief description of the activity consented and be emailed to <u>worknotification@trc.govt.nz</u>.

- 4. The consent holder shall maintain a contingency plan that, to the satisfaction of the Chief Executive, Taranaki Regional Council, details measures and procedures to be undertaken to prevent spillage or accidental discharge of contaminants not authorised by this consent and measures to avoid, remedy or mitigate the environmental effects of such a spillage or discharge. The contingency plan shall be provided to the Council prior to discharging from the site.
- 5. The stormwater treatment system shall be in put in place prior to commencement of drilling. Except that, with prior approval from the Chief Executive, Taranaki Regional Council, a conductor casing and surface casing may be installed prior to construction of the stormwater treatment system.
- 6. All skimmer pits, perimeter drains and any other stormwater retention areas shall be lined with an impervious material to prevent seepage through the bed and sidewalls.
- 7. All stormwater and produced water shall be directed for treatment through the stormwater treatment system before being discharged.
- 8. There shall be no discharge of produced water with a chloride concentration greater than 50 ppm.

9. Constituents in the discharge shall meet the standards shown in the following table.

<u>Constituent</u>	Standard
рН	Within the range 6.0 to 9.0
suspended solids	Concentration not greater than 100 gm ⁻³
total recoverable hydrocarbons	Concentration not greater than 15 gm ⁻³ [as determined by infrared spectroscopic technique]
chloride	Concentration not greater than 50 gm ⁻³

- 10. The consent holder shall advise the Chief Executive, Taranaki Regional Council, in writing at least 48 hours prior to the reinstatement of the site and the reinstatement shall be carried out so as to minimise adverse effects on stormwater quality. Notification shall include the consent number and a brief description of the activity consented and be emailed to <u>worknotification@trc.govt.nz</u>.
- 11. This consent shall lapse on 31 December 2017, unless the consent is given effect to before the end of that period or the Taranaki Regional Council fixes a longer period pursuant to section 125(1)(b) of the Resource Management Act 1991.
- 12. In accordance with section 128 and section 129 of the Resource Management Act 1991, the Taranaki Regional Council may serve notice of its intention to review, amend, delete or add to the conditions of this resource consent by giving notice of review during the month of June 2017 and/or June 2023, for the purpose of ensuring that the conditions are adequate to deal with any adverse effects on the environment arising from the exercise of this resource consent, which were either not foreseen at the time the application was considered or which it was not appropriate to deal with at the time.

Signed at Stratford on 18 October 2012

For and on behalf of Taranaki Regional Council

Director-Resource Management