Greymouth Petroleum Limited Deep Well Injection Monitoring Programme Annual Report 2017-2018

Technical Report 2018-82

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Executive summary

Greymouth Petroleum Limited (the Company) operates a number of wellsites across the Taranaki region, with major fields located in the Tikorangi and Kaimiro areas. Each wellsite contains varying numbers of producing wells and associated production infrastructure. This report for the period July 2017 to June 2018 describes the monitoring programme implemented by the Taranaki Regional Council (the Council) in relation to the Company's deep well injection (DWI) activities. The report details the results of the monitoring undertaken, assesses the Company's environmental performance during the period under review and the environmental effects of their DWI activities.

During the 2017-2018 monitoring period, the Company exercised five DWI consents. These consents authorised discharges at the Kaimiro-O, Kowhai-A, Kaimiro-J, Turangi-A and Kaimiro-G wellsites. In addition, the Company held two DWI consents during the review period, one which was not exercised and the other which has now lapsed.

During the monitoring period the Company demonstrated an overall high level of environmental performance.

The Council's monitoring programme for the year under review included 15 site inspections and 14 groundwater samples collected for physicochemical analysis. The monitoring programme also included a significant data review component, with all injection data submitted by the company assessed for compliance on receipt.

The monitoring showed that the Company's DWI activities were being carried out in compliance with the conditions of the applicable resource consents. There is no evidence of any issues with any injection well currently in use, or the on-going ability of the receiving formation to accept injected fluids. The results of groundwater quality monitoring undertaken show no adverse effects of the activity at monitored locations. Inspections undertaken during the monitoring year found sites being operated in a professional manner and there were no Unauthorised Incidents in relation to any of the Company's DWI consents.

During the year, the Company demonstrated a high level of environmental and administrative performance with the resource consents.

For reference, in the 2017-2018 year, consent holders were found to achieve a high level of environmental performance and compliance for 76% of the consents monitored through the Taranaki tailored monitoring programmes, while for another 20% of the consents, a good level of environmental performance and compliance was achieved.

In terms of overall environmental and compliance performance by the Company over the last several years, this report shows that the Company's performance continues at a high level.

This report includes recommendations to be implemented during the 2018–2019 monitoring period.

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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 July 2017 to June 2018 by the Taranaki Regional Council (the Council) on the monitoring programme associated with resource consents held by Greymouth Petroleum Limited (the Company) for deep well injection (DWI) activities. The consents authorise discharges from various wellsites operated by the Company across the Taranaki region.

The resource consents held by the Company permit the discharge of a range of fluids by DWI, including produced water, well drilling fluids, well workover fluids, (including hydraulic fracturing and return fluids), contaminated and 'off spec' stormwater, and compatible groundwater utilised specifically for water flooding. The consents include a number of special conditions which set out specific requirements the Company must satisfy.

This report covers the results and findings of the monitoring programme implemented by the Council in respect of the DWI consents held by the Company. This is the eighth report to be prepared by the Council to cover the Company's DWI discharges and their effects.

1.1.2 Structure of this report

Section 1 of this report is a background section. It sets out general information about:

- consent compliance monitoring under the RMA and the Council's obligations;
- the Council's approach to monitoring sites though annual programmes;
- the resource consents held by the Company for DWI activities;
- the nature of the monitoring programme in place for the period under review; and
- a description of the activities and operations conducted by the Company.

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

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

Section 4 presents recommendations to be implemented in the 2018-2019 monitoring year.

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 1991 (RMA) 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 an activity, and may include cultural and socialeconomic 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 (for example 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 Council is recognising the comprehensive meaning of 'effects' inasmuch as is appropriate for each activity. Monitoring programmes are not only based on existing permit conditions, but also on the obligations of the RMA to assess the effects of the exercise of consents. In accordance with Section 35 of the RMA, the Council undertakes compliance monitoring for consents and rules in regional plans, and maintains an overview of the performance of resource users and consent holders. Compliance monitoring, including both activity and impact monitoring, enables the Council to continually re-evaluate its approach and that of consent holders to resource utilisation, to move closer to achieving sustainable development of the region's resources.

1.1.4 Evaluation of environmental and administrative performance

Besides discussing the various details of the performance and extent of compliance by the Company, this report also assigns them a rating for their environmental and administrative performance during the period under review.

Environmental performance is concerned with <u>actual or likely effects</u> on the receiving environment from the activities during the monitoring year. Administrative performance is concerned with the Company's approach to demonstrating consent compliance in site operations and <u>management</u> including the timely provision of information to Council (such as contingency plans and water take data) in accordance with consent conditions.

Events that were beyond the control of the consent holder <u>and</u> unforeseeable (that is a defence under the provisions of the RMA can be established) may be excluded with regard to the performance rating applied. For example loss of data due to a flood destroying deployed field equipment.

The categories used by the Council for this monitoring period, and their interpretation, are as follows:

Environmental Performance

- **High:** No or inconsequential (short-term duration, less than minor in severity) breaches of consent or regional plan parameters resulting from the activity; no adverse effects of significance noted or likely in the receiving environment. 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 in relation to such impacts.
- **Good:** Likely or actual adverse effects of activities on the receiving environment were negligible or minor at most. There were some such issues noted during monitoring, from self-reports, or in response to unauthorised incident reports, but these items were not critical, and follow-up inspections showed they have been dealt with. These minor issues were resolved positively, co-operatively, and quickly. The Council was not obliged to issue any abatement notices or infringement notices in relation to the minor non-compliant effects; however abatement notices may have been issued to mitigate an identified potential for an environmental effect to occur.

For example:

- High suspended solid values recorded in discharge samples, however the discharge was to land or to receiving waters that were in high flow at the time;
- Strong odour beyond boundary but no residential properties or other recipient nearby.

- **Improvement required**: Likely or actual adverse effects of activities on the receiving environment were more than minor, but not substantial. There were some issues noted during monitoring, from selfreports, or in response to unauthorised incident reports. Cumulative adverse effects of a persistent minor non-compliant activity could elevate a minor issue to this level. Abatement notices and infringement notices may have been issued in respect of effects.
- **Poor:** Likely or actual adverse effects of activities on the receiving environment were significant. There were some items noted during monitoring, from self-reports, or in response to unauthorised incident reports. Cumulative adverse effects of a persistent moderate non-compliant activity could elevate an 'improvement required' issue to this level. Typically there were grounds for either a prosecution or an infringement notice in respect of effects.

Administrative performance

- **High:** The administrative requirements of the resource consents were met, or any failure to do this had trivial consequences and were addressed promptly and co-operatively.
- **Good:** Perhaps some administrative requirements of the resource consents were not met at a particular time, however this was addressed without repeated interventions from the Council staff. Alternatively adequate reason was provided for matters such as the no or late provision of information, interpretation of 'best practical option' for avoiding potential effects, etc.
- **Improvement required:** Repeated interventions to meet the administrative requirements of the resource consents were made by Council staff. These matters took some time to resolve, or remained unresolved at the end of the period under review. The Council may have issued an abatement notice to attain compliance.
- **Poor:** Material failings to meet the administrative requirements of the resource consents. Significant intervention by the Council was required. Typically there were grounds for an infringement notice.

For reference, in the 2017-2018 year, consent holders were found to achieve a high level of environmental performance and compliance for 76% of the consents monitored through the Taranaki tailored monitoring programmes, while for another 20% of the consents, a good level of environmental performance and compliance was achieved.

1.2 Process description

The process of DWI involves injecting fluids deep underground into geological formations which are confined from overlying groundwater aquifers by low permeability strata. Injection wells are also designed and constructed to provide multi barrier protection against contaminant migration to groundwater systems.

The subsurface injection of fluids by DWI is often used as a method for disposing of waste fluids generated during oil and gas exploration and production activities. The greatest volume of waste fluids generated through these activities is saline water (brine) that is drawn to the surface with hydrocarbons through producing wells ('produced water'). The DWI consents currently held by the Company also authorise the injection of fluid types other the produced water. The range of fluid types authorised for injection varies by consent, but includes compatible groundwater, off-spec (contaminated) stormwater, well workover fluids, well drilling fluids, hydraulic fracturing fluids and hydraulic fracturing return fluids.

In addition to providing a means to dispose of waste fluids, the subsurface injection of fluids by DWI is also an established oilfield technique for regulating reservoir pressure as a means of enhancing the rate of hydrocarbon recovery from a reservoir. This process, commonly referred to as water flooding, is often implemented when natural reservoir pressures become reduced due to ongoing production. Fluids can also be heated prior to injection to reduce the viscosity of the oil being produced, improving its flow toward a producing well and upward through the wellbore itself. The Company holds one consent (5312-2.1)

specifically for the purpose of water flooding at the Kaimiro-O wellsite.

A schematic representation of injection wells for both waste discharge and enhanced oil recovery is presented in Figure 1.

Further details regarding hydrocarbon exploration and production in Taranaki, the DWI process and its history within region can be found in previous compliance reports published by the Council (see Bibliography).

1.3 Resource consents

1.3.1 Discharges of wastes to land

Sections 15(1)(b) and (d) of the RMA stipulate that no person may discharge any contaminant onto land if it may then enter water, or from any industrial or trade premises onto land under any circumstances, unless the activity is expressly allowed for by a resource consent, a rule in a regional plan, or by national regulations.

The Company held seven discharge consents covering their DWI activities (Table 1) during the period under review. Five consents were exercised by the Company during the period.

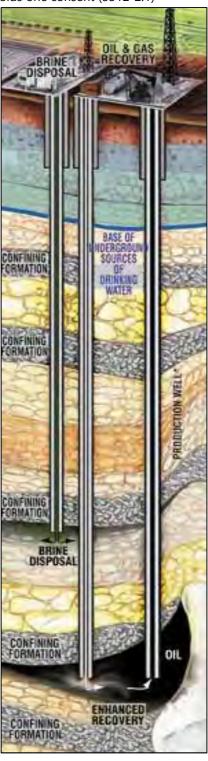


Figure 1 DWI schematic (www.epa.gov/uic)

| Consent Number | Wellsite | Injection Well(s) | TRC bore id. | Formation | Issued | Expiry |
|-------------------|-----------|----------------------|--------------|-----------------|------------|------------|
| 5312-2.1 | Kaimiro-O | Kaimiro-17 | GND1385 | Mount Messenger | 06/05/2015 | 01/06/2032 |
| 7390-1 | Turangi-A | Turangi-3 | GND2106 | Mount Messenger | 10/10/2008 | 01/06/2027 |
| 7466-1 | Kowhai-A | Kowhai-2 | GND2289 | Mount Messenger | 03/02/2014 | 01/06/2027 |
| 7897-1 | Kaimiro-J | Kaimiro-11 | GND1377 | Mount Messenger | 12/09/2011 | 01/06/2026 |
| 9272-2 | Turangi-A | Turangi-5 | GND2365 | Mount Messenger | 02/06/2016 | 01/06/2036 |
| 9470-1 | Kaimiro-G | Kaimiro-10 | GND2351 | Mount Messenger | 04/02/2013 | 01/06/2032 |
| 9476-1 | Kowhai-C | Lapsed 28/02/2018 | | Mount Messenger | 28/02/2013 | 01/06/2027 |

 Table 1
 DWI consents held by the Company during the 2017-2018 monitoring year

Consent **5312-2.1** was issued by the Council on 6 May 2015 under Section 87(e) of the RMA. It is due to expire on 1 June 2032. The consent authorises the discharge of groundwater from the Matemateaonga Formation and produced water into the Mount Messenger Formation for improved hydrocarbon recovery purposes at the Kaimiro-O wellsite.

The current consent has 18 special conditions, as summarised below.

Condition 1 required to consent holder to submit an Injection Operation Management Plan prior to exercising the consent.

Condition 2 requires the consent holder to submit well completion information following drilling.

Condition 3 sets a maximum injection pressure limit of 85 bar.

Condition 4 sets a maximum injection rate limit of 41.6 m³/hour.

Condition 5 sets a maximum daily injection volume of 1,000 m³/day.

Condition 6 requires that no injection be made after 1 June 2027 to allow for on-going environmental monitoring after the discharge has ceased..

Condition 7 refers to the best practicable option (BPO) requirements.

Condition 8 requires the discharge to be made into the Mount Messenger Formation, deeper than 1,000 m TVD sub-sea.

Condition 9 requires that discharge does not result in fracturing of the geological seals confining the injection zone.

Condition 10 prohibits the discharge from endangering or contaminating any freshwater aquifer.

Conditions 11, 12, 13, 14, 15 and 16 refer to process monitoring and data submission requirements.

Condition 17 is an annual reporting requirement.

Condition 18 is a review provision.

Consent **7390-1** was issued by the Council on 10 October 2008 under Section 87(e) of the RMA. It is due to expire on 1 June 2027. The consent authorises the discharge of produced water from hydrocarbon exploration and production operations by DWI via the Turangi-3 well at the Turangi-A wellsite.

The current consent has nine special conditions, as summarised below.

Condition 1 sets a maximum injection pressure limit of 55 bar (800 psi).

Condition 2 sets a maximum daily injection volume of 300 m³/day.

Conditions 3, 4 and 5 refer to process monitoring and data submission requirements.

Condition 6 required the consent holder to submit an Injection Operation Management Plan prior to exercising the consent.

Condition 7 prohibits the discharge from endangering or contaminating any freshwater aquifer.

Condition 8 is a lapse clause.

Condition 9 is a review provision.

Consent **7466-1.1** was issued by the Council on 3 February 2014 under Section 87(e) of the RMA. It is due to expire on 1 June 2027. The consent authorises the discharge of produced water from hydrocarbon exploration and production operations by DWI via the Kowhai-2 well at the Kowhai-A wellsite.

The current consent has 13 special conditions, as summarised below.

Condition 1 requires the consent holder to submit well completion information following drilling.

Condition 2 sets a maximum injection pressure limit of 92 bar (1,352 psi).

Condition 3 sets a maximum daily injection volume of 916 m³/day.

Condition 4 sets a maximum hourly injection rate of 38 m³/day (4 bpm).

Condition 5 requires the discharge to be made into the Mount Messenger Formation, deeper than 970 m TVD below ground level.

Conditions 6, 7 & 8 refer to process monitoring and data submission requirements.

Condition 9 requires the consent holder to notify the Council at least five working days prior to exercising the consent.

Condition 10 required the consent holder to submit an Injection Operation Management Plan prior to exercising the consent.

Condition 11 prohibits the discharge from endangering or contaminating any freshwater aquifer.

Condition 12 is a lapse clause.

Condition 13 is a review provision.

Consent **7897-1** was issued by the Council on 12 September 2011 under Section 87(e) of the RMA. It is due to expire on 1 June 2026. The consent authorises the discharge of produced water, well drilling fluids, well workover fluids, hydraulic fracturing fluids; and 'off-spec' stormwater from the consent holder's wellsites by DWI into the Mount Messenger formation following from hydrocarbon exploration operations at the Kaimiro-J wellsite.

The current consent has 18 special conditions, as summarised below.

Condition 1 required to consent holder to submit an Injection Operation Management Plan prior to exercising the consent.

Condition 2 requires the consent holder to submit well completion information following drilling.

Condition 3 sets a maximum injection pressure limit of 115 bar (1,669 psi).

Condition 4 sets a maximum injection rate limit of 29 m³/hour (3 bpm).

Condition 5 sets a maximum daily injection volume of 687 m³/day.

Condition 6 requires the discharge to be made into the Mount Messenger Formation, deeper than 1,320 m TVD below ground level.

Condition 7 refers to the BPO requirements.

Conditions 8, 9 & 10 refer to process monitoring and data submission requirements.

Condition 11 requires the consent holder to notify the Council at least 5 working days prior to exercising the consent.

Condition 12 prohibits the discharge from endangering or contaminating any freshwater aquifer.

Conditions 13, 14 & 15 relate to the requirement for the consent holder to implement a groundwater monitoring programme.

Condition 16 is an annual reporting requirement.

Condition 17 is a lapse clause.

Condition 18 is a review provision.

Consent **9272-2** was issued by the Council on 2 June 2016 under Section 87(e) of the RMA. It is due to expire on 1 June 2036. The consent authorises the discharge of produced water, well drilling fluids, well workover fluids and contaminated stormwater into the Mount Messenger Formation by DWI at the Turangi-A wellsite. The current consent has 19 special conditions, as summarised below.

Condition 1 authorises the use of the Turangi-5 well or another well located at the site to be used for DWI.

Condition 2 requires the consent holder to undertake activities in accordance with an Injection Operation Management Plan.

Condition 3 requires the consent holder to submit well completion information before discharging to any well.

Condition 4 stipulates that there shall be no injection after 1 June 2029 to allow for on-going environmental monitoring after the discharge has ceased.

Condition 5 requires the best practicable option to be adopted for fluid injection.

Condition 6 limits the injection of fluids to the Mount Messenger Formation, below 1,200 m TVD below ground level.

Condition 7 sets a maximum injection pressure limit of 111 bar (1,610 psi).

Condition 8 prohibits the discharge resulting in fracturing of the geological seals confining the injection zone.

Condition 9 prohibits the discharge from resulting in any contaminants reaching any useable freshwater resources.

Condition 10 limits the range of fluids that may be injected.

Conditions 11, 12, 13 and 14 refer to process monitoring and data submission requirements.

Conditions 15, 16 and 17 refer to local groundwater quality monitoring requirements.

Condition 18 stipulates the annual reporting requirements.

Condition 19 is a review condition.

Consent **9470-1** was issued by the Council on 4 February 2013 under Section 87(e) of the RMA. It is due to expire on 1 June 2032. The consent authorises the discharge of produced water, well drilling fluids and well workover fluids by DWI into the Mount Messenger formation at the Kaimiro-G wellsite.

The current consent has 19 conditions, as summarised below.

Condition 1 required to consent holder to submit an Injection Operation Management Plan prior to exercising the consent.

Condition 2 requires the consent holder to submit well completion information following drilling.

Condition 3 sets a maximum injection pressure limit of 1,077 psi.

Condition 4 sets a maximum rate of injection of 8.6 m³/hr (0.9 bpm).

Condition 5 sets a maximum daily injection volume of 206 m³/day (1,296 bpd).

Condition 6 requires the discharge to be made into the Mount Messenger Formation, deeper than 995 m TVD sub-sea.

Condition 7 refers to the BPO requirements.

Condition 8 limits the range of fluids that may be injected.

Conditions 9, 10 & 11 refer to process monitoring and data submission requirements.

Condition 12 prohibits the discharge from endangering or contaminating any freshwater aquifer.

Conditions 13, 14 & 15 relate to the requirement for the consent holder to implement a groundwater monitoring programme.

Condition 16 is an annual reporting requirement.

Condition 17 requires the consent holder to notify the Council at least five working days prior to exercising the consent.

Condition 18 requires the discharge to cease five years prior to consent expiry date to allow for on-going environmental monitoring after the discharge has ceased.

Condition 19 is a review provision.

Consent **9476-1** was issued by the Council on 28 February 2013 under Section 87(e) of the RMA. It is due to expire on 1 June 2027. The consent authorises the discharge of produced water, well drilling fluids, well workover fluids including hydraulic fracturing fluids, and contaminated stormwater from hydrocarbon exploration operations into the Mount Messenger Formation by DWI via the Kowhai-C waste disposal well. This consent lapsed on 28 February 2018.

The current consent has 19 conditions, as summarised below.

Condition 1 required to consent holder to submit an Injection Operation Management Plan prior to exercising the consent.

Condition 2 requires the consent holder to submit well completion information following drilling.

Condition 3 sets a maximum injection pressure limit of 1,685 psi (115 bar).

Condition 4 sets a maximum rate of injection of 0.48 m³/min (3 bpm).

Condition 5 sets a maximum daily injection volume of 687 m³/day (4,320 bpd).

Condition 6 requires the discharge to be made into the Mount Messenger Formation, deeper than 1,350 m TVD below ground level.

Condition 7 refers to the BPO requirements.

Condition 8 limits the range of fluids that may be injected.

Conditions 9, 10 & 11 refer to process monitoring and data submission requirements.

Condition 12 prohibits the discharge from endangering or contaminating any freshwater aquifer.

Conditions 13, 14 & 15 relate to the requirement for the consent holder to implement a groundwater monitoring programme.

Condition 16 is an annual reporting requirement.

Condition 17 requires the consent holder to notify the Council at least five working days prior to exercising the consent.

Condition 18 requires the discharge to cease five years prior to consent expiry date to allow for on-going environmental monitoring after the discharge has ceased.

Condition 19 is a review provision.

Figure 2 shows the location of the DWI consents held by the Company during the period under review.

This summary of consent conditions may not reflect the full requirements of each condition. The consent conditions in full can be found in the resource consents which are appended to this report (Appendix I).

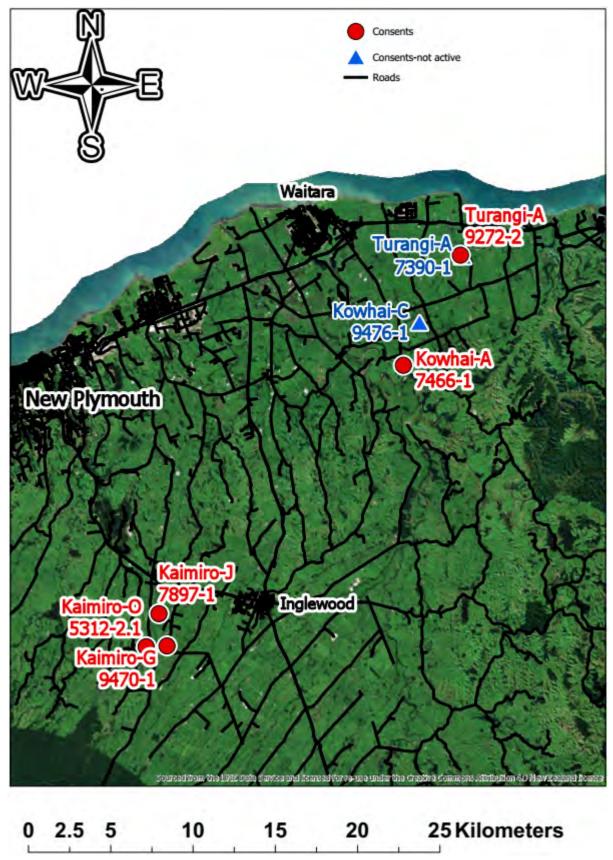


Figure 2 Location of the Company's deep well injection consents

1.4 Monitoring Programme

1.4.1 Introduction

Section 35 of the RMA sets obligations upon the Council to gather information, monitor and conduct research on the exercise of resource consents within the Taranaki region. The Council is also required to assess the effects arising from the exercising of these consents and report upon them.

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 the DWI sites consisted of five primary components.

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 consent reviews, renewals or new consent applications;
- advice on the Council's environmental management strategies and content of regional plans; and
- consultation on associated matters.

1.4.3 Site inspections

The Company's Turangi-A and Kowhai-A wellsites were each inspected by Council Officer's on six occasions as part of the Greymouth Production Station monitoring programme. The remaining wellsites at Kaimiro-O, Kaimiro-J and Kaimiro-G were each inspected on one occasion during the monitoring period. All sites were inspected for any signs of environmental impact. With regard to consents for DWI activities, the main points of interest are general housekeeping and any processes with potential or actual discharges, including any surface water runoff, and their receiving environments.

An additional two visits to the Company's Kaimiro-O site were undertaken by Council Officer's for groundwater/injectate sampling purposes, as outlined in Section 1.4.4.

1.4.4 Injectate sampling

The sampling of injectate is carried out in order to characterise the general chemical nature of the discharge and also the variation in its chemical composition across the monitoring period.

The injectate monitoring required by the respective DWI consents is primarily undertaken by the Company. The Company are required to analyse each different waste stream arriving on-site for discharge, or a minimum of two samples per year if there are no significant changes to the composition of the discharge. Results of this monitoring are submitted to the Council on a monthly basis.

The range of analyses required to be undertaken by the company varies by consent but generally includes the following:

- pH;
- conductivity;
- suspended solids;

- temperature;
- salinity
- chlorides; and
- total petroleum hydrocarbons.

Injectate samples are generally collected from the bulk fluid storage tanks at each wellsite. The Kaimiro Production Station (KPS), serves as a central fluid collection and storage facility for waste generated within the Company's Kaimiro, field. It is also the site from which all injection within this field is controlled and monitored.

In addition to the Company's injectate sampling, the Council undertakes sampling of the groundwater abstracted via the Kaimiro-O groundwater bore, which is subsequently injected for water flooding purposes. These groundwater samples therefore also constitute an injectate sample for the purposes of this monitoring programme.

Details of the specific sampling points accessed to obtain samples during the period under review are listed in Table 2.

| Consent | Wellsite | Injection well | Sample point | Site code |
|----------|-----------|------------------|-------------------------|-----------|
| 5312-2.1 | Kaimiro-O | Kaimiro-17 | Well head tap | GND1385 |
| 7466-1 | Kowhai-A | Kowhai-2 | Kowhai-2 well head tank | GND2289 |
| 7897-1 | Kaimiro-J | Kaimiro-11 | KPS – Tank 033 | GND1377 |
| 9272-2 | Turangi-A | Turangi-5 Tank 4 | | GND2365 |
| 0.470.1 | Kaining C | Kaimiro-10 | | GND2351 |
| 9470-1 | Kaimiro-G | Kaimiro-19 | KPS – Tank 033 | GND3025 |

Table 2 Injectate sampling locations for DWI sites active during 2017-2018

1.4.5 Groundwater sampling

The groundwater monitoring component of this programme was initiated during the 2012-2013 monitoring period and continued during the period under review.

Groundwater sampling was undertaken in the vicinity of the five wellsites where injection occurred during the review period. These wellsites were Turangi-A, Kaimiro-G, Kaimiro-J, Kaimiro-O and Kowhai-A. Groundwater samples were obtained in relation to each monitored site on two occasions.

Where possible, samples of groundwater were obtained using bladder or peristaltic pumps, using low-flow sampling methodologies. Where well or bore construction precluded the use of these techniques, samples were obtained from taps or by bailer.

Details of the groundwater monitoring sites currently included in the monitoring programme are listed below in Table 3. The location of the groundwater sites in relation to DWI wellsites is illustrated in Figure 3.

| Site code | Wellsite | Туре | Distance from injection well (m) | Casing depth (m) | Open or screened interval (m) | Total depth (m) | Aquifer | Sampling method |
|-----------|-----------|------|---|------------------------|--|-----------------------|-----------------|--------------------|
| GND1673 | Turangi-A | Bore | 362 | 0-26 | 26-42 | 42 | Marine Terraces | Тар |
| GND2232 | | Well | 210 | unlined | 0-2.5 | 2.5 | Marine Terraces | Bailer |

 Table 3
 Groundwater sampling site details

| Site code | Wellsite | Туре | Distance from injection well (m) | Casing depth (m) | Open or screened interval (m) | Total depth (m) | Aquifer | Sampling method |
|-----------|-----------|--------|---|------------------------|--|-----------------------|-----------------|--------------------|
| GND0701 | Kaimira C | Well | 56 | 0-7 | 7-10 | 10 | Volcanics | Peri. |
| GND2353 | Kaimiro-G | Well | 685 | unlined | 0-4.2 | 4.2 | Volcanics | Bailer |
| GND2456 | Kaimiro-O | Bore | 15 | 0-330 | 330-342 | 342 | Matemateaonga | Тар |
| GND2464 | | Spring | 144 | spring | N/A | N/A | Marine Terraces | Bailer |
| GND2770 | Kowhai-A | Bore | onsite | 0-26 | 26-38 | 38 | Marine Terraces | Bladder |
| GND2472 | Kaimiro-J | Bore | 905 | 18 | 18-30 | 30 | Volcanics | Bladder |

The range of analyses carried out on groundwater samples is dictated by the requirements of the respective DWI consents. Consents for DWI generally include a requirement to analyse groundwater samples for a basic range of parameters, which are deemed sufficient to enable identification of any significant changes in groundwater quality. These include:

- pH;
- conductivity;
- chlorides; and
- total petroleum hydrocarbons.

These basic analyses are undertaken in the Council's IANZ accredited laboratory.

Consent 5312-2.1 (Kaimiro-O) requires groundwater samples to be analysed for the following range of parameters:

- pH;
- conductivity;
- anion/cation profile;
- total petroleum hydrocarbons; and
- BTEX.

The analysis for the Kaimiro-O samples are undertaken by Hill Laboratories Limited.

Baseline samples have also been collected at each site for general ion chemistry, BTEX and dissolved gas concentration analysis. These more detailed analyses will allow a more in depth assessment of variations in groundwater composition should the need arise in the future.

1.4.6 Assessment of data submitted by the Company

A significant component of the monitoring programme is the assessment of consent holder submitted data. The Company is required to submit a wide range of data under the conditions of their respective DWI consents.

As required by the conditions of their consents, the Company has submitted an Injection Operation Management Plan for each active injection well. The plans are required to include the operational details of the injection activities and to identify the conditions that would trigger concerns about the integrity of the injection well, the receiving formation or overlying geological seals. The plans are also required to detail the action(s) to be taken by the consent holder if trigger conditions are reached. The Company was also required to submit well construction details, an assessment of the local geological environment, results of well integrity testing and details of the proposed monitoring plan for the injection well. The Company is also required to maintain continuous records of injection volumes, rates and pressures, and to characterise the chemical characteristics of all waste types being discharged. This data is submitted to the Council on a monthly basis where it is assessed for compliance against the relevant consent conditions.

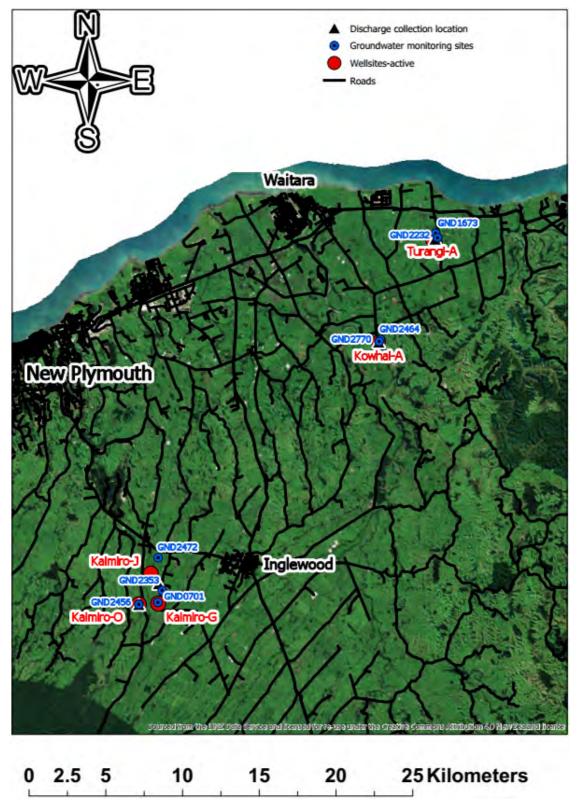


Figure 3 Location of groundwater sampling sites in relation to DWI wellsites

2 Results

2.1 Inspections

During the period under review, the Council carried out 15 inspections in relation to the Company's DWI activities. Six inspections were undertaken at each of the Turangi-A production station and Kowhai-A production station. These inspections were undertaking as part of the more extensive production station monitoring programmes. The remaining wellsites (Kaimiro-G, Kaimiro-O and Kaimiro-J) were all inspected annually as per the requirement of the Company's DWI monitoring programme. Two additional visits were also undertaken by Council staff at the Kaimiro-O wellsite for the purpose of groundwater/injectate sampling.

No issues were identified in regard to any of the Company's DWI activities during inspections.

2.2 Injectate sampling

The results of the injectate monitoring carried out by both the Company and the Council are summarised by injection well in Tables 4, 5, 6, 7 and 8.

Samples of injectate were obtained from the Company's Kaimiro-O wellsite by the Council. Injectate at this site is sourced from a groundwater abstraction bore. Samples from this bore are therefore used to assess any changes in groundwater quality and the composition of injected fluids at this site. All other sites are sampled by the Company, or a third party on behalf of the Company, and the results are submitted to the Council monthly.

The results of the sample analyses collected by the Council are included below in Table 4. The range of results provided by the Company over the review period for their active DWI sites, are included in Table 5 to Table 8. The results obtained during the 2017-2018 monitoring period are displayed alongside the range of results provided since 2015. A comparison of these results indicates that the concentrations of each analyte are within the historical range of injectate samples collected during preceding monitoring periods.

The range of values associated with the results of these analyses illustrates the variability in the composition of injectate across the monitoring period. The composition of the injectate varies depending on the origin and volume of fluids transferred from each individual source at the time of injection.

The injectate sampling undertaken by the consent holder required under each consent was provided to the Council, with one minor exception, the electrical conductivity concentrations required in relation to consent 9272-2 were not submitted. However as the results provided include both salinity and chloride concentrations the omission of this data is minor and does not impact the assessment of the overall results.

The concentrations of each analyte measured over the 2017-2018 period are within the expected range for produced water samples at these sites.

| Sample details | Units | | | |
|-------------------------------|----------------------|--------------|------------|------------|
| Date | - | 7 Sep 2017 | 9 Oct 2017 | 1 May 2018 |
| TRC sample number | - | GPL sampling | TRC174045 | TRC182050 |
| рН | pH units | 7.7 | 7.8 | 7.6 |
| Electrical conductivity | mS/m | 159 | 157 | 156 |
| Suspended solids | g/m ³ | 6 | 15 | <3 |
| Temperature | Deg°C | - | 18.8 | 14.9 |
| Salinity | TDS g/m ³ | 960 | 990 | 970 |
| Chloride | mg/L | - | 159 | 161 |
| Total petroleum hydrocarbons* | g/m ³ | - | <0.7 | <0.7 |

Table 4 Results of Kaimiro-17 injectate analysis 2017-2018 (consent 5312-2.1)

Note* not a requirement under this consent

 Table 5
 Results of Kowhai-2 injectate analysis 2017-2018 (consent 7466-1)

| Sample details | Units | Kowhai-A | | | | |
|------------------------------|----------------------|---------------|-------------|---------------|-------------|--|
| Sample details | Units | Maximum | Minimum | Maximum | Minimum | |
| Date | - | 1 Jul 2015 to | 30 Jun 2018 | 1 Jul 2017 to | 30 Jun 2018 | |
| рН | pH units | 7.8 | 6.4 | 7.8 | 6.4 | |
| Suspended solids | g/m³ | 83 | 3 | 68 | 8 | |
| Temperature | Deg°C | 32.5 | 17.0 | 29.1 | 17.7 | |
| Salinity | TDS g/m ³ | 37 | 17 | 22 | 17 | |
| Chloride | mg/L | 17,700 | 4,500 | 13,400 | 7,800 | |
| Total petroleum hydrocarbons | g/m³ | 3,130 | 43 | 210 | 56 | |

Table 6 Results of Kaimiro-11 injectate analysis 2017-2018 (consent 7897-1)

| Comula dataila | Units | Kaimiro-J | | | | |
|------------------------------|----------------------|---------------|-------------|---------------|-------------|--|
| Sample details | Units | Maximum | Minimum | Maximum | Minimum | |
| Date | | 1 Jul 2015 to | 30 Jun 2018 | 1 Jul 2017 to | 30 Jun 2018 | |
| рН | pH units | 7 | 5.5 | 7 | 6.1 | |
| Suspended solids | g/m ³ | 4,900 | 23 | 490 | 54 | |
| Temperature | Deg°C | 32.8 | 15.5 | 31 | 16.7 | |
| Salinity | TDS g/m ³ | 39 | 21 | 39 | 38 | |
| Chloride | mg/L | 24,000 | 2,300 | 24,000 | 18,000 | |
| Total petroleum hydrocarbons | g/m³ | 9,400 | 25 | 590 | 26 | |

Table 7 Results of Turangi-5 injectate analysis 2017-2018 (consent 9272-2)

| Comula dataila | l lucito | Turangi-A | | | | |
|------------------------------|----------------------|---------------|---------------|---------------|-------------|--|
| Sample details | Units | Maximum | Minimum | Maximum | Minimum | |
| Date | - | 1 Jul 2015 to | o 30 Jun 2018 | 1 Jul 2017 to | 30 Jun 2018 | |
| рН | pH units | 7.2 | 6.5 | 7.2 | 6.5 | |
| Electrical conductivity* | mS/m | NP | NP | NP | NP | |
| Suspended solids | g/m³ | 12,700 | 9 | 126 | 9 | |
| Temperature | Deg°C | 32 | 17 | 31 | 17 | |
| Salinity | TDS g/m ³ | 18 | 12 | 18 | 14 | |
| Chloride | mg/L | 9,600 | 3,900 | 9,600 | 7,000 | |
| Total petroleum hydrocarbons | g/m³ | 42,000 | 145 | 42,000 | 145 | |

Note* electrical conductivity required but not provided (NP)

| Comula dataila | 11 | Kaimiro-G | | | | |
|------------------------------|----------------------|--------------|---------------|---------------|-------------|--|
| Sample details | Units | Maximum | Minimum | Maximum | Minimum | |
| Date | - | 1 Jul 2015 t | o 30 Jun 2018 | 1 Jul 2017 to | 30 Jun 2018 | |
| рН | pH units | 7.3 | 4.8* | 7.0 | 6.1 | |
| Suspended solids | g/m³ | 570 | 32 | 490 | 54 | |
| Temperature | Deg°C | 31.0 | 8.8 | 31.0 | 16.7 | |
| Salinity | TDS g/m ³ | 39.0 | 4.6 | 39.0 | 38.0 | |
| Chloride | mg/L | 24,000 | 2,700 | 24,000 | 17,200 | |
| Total petroleum hydrocarbons | g/m³ | 4,400 | 9 | 590 | 14 | |

Table 8 Results of Kaimiro-10/19 injectate analysis 2017-2018 (consent 9470-1)

* low pH is due to acid wash

2.3 Groundwater sampling

Groundwater samples were obtained from two sites located in the vicinity of the Kaimiro–G wellsite (GND0701 and GND2353) and one site in the vicinity of the Turangi-A (GND1673), Kaimiro-O (GND2456) and Kaimiro-J wellsites (GND2472). Two sites in the vicinity of the Kowhai-A wellsite were also sampled during the monitoring period; GND2464, an ephemeral stream, and GND2770 a site specific, purpose built, groundwater monitoring bore, installed in November 2017, which now replaces GND2464 in the monitoring programme.

Sampling was undertaken on a biannual basis in relation to each active wellsite. Samples analysed during the review period show there have been no significant changes in groundwater composition over the monitoring period. This is demonstrated by the relatively narrow ranges between analyte concentrations. The subtle variations in some analyte concentrations are a result of natural seasonal fluctuations and sampling variability. All groundwater samples were collected following the Council's standard groundwater sampling procedures and generally in accordance with the National Protocol for State of the Environment Groundwater Sampling in New Zealand (2006).

Historically, slightly elevated or trace hydrocarbon concentrations have been recorded, occasionally, at the Kaimiro-O wellsite. These results were likely due to contamination during sampling or storage at the site. Prior to a tap being fitted at the bore well head, specifically for sampling, both groundwater and injectate samples were collected from an onsite storage tank, where fluids were stored prior to being injected for water flooding purposes. No hydrocarbons have been recorded since sampling via the tap commenced.

A summary of all monitoring results is presented by site in Tables 9, 10, 11, 12, 13, 14 and 15.

| Commis dataila | l luite | Kaim | niro-O GND245 | 6 Consent 5312 | -2.1 |
|-------------------------|------------------|---------------|---------------|----------------|------------|
| Sample details | Units | Maximum | Minimum | - | - |
| Date | - | 1 Jul 2013 to | 30 Jun 2018 | 9 Oct 2017 | 1 May 2018 |
| Time | NZST | - | - | 8:00 | 8:35 |
| TRC sample number | - | - | - | TRC174045 | TRC182050 |
| рН | pH units | 8.6 | 7.0 | 7.8 | 7.6 |
| Electrical conductivity | mS/m | 161.9 | 142.0 | 157.1 | 156.0 |
| Chloride | g/m ³ | 240 | 70 | 159 | 161 |
| Calcium | g/m ³ | 64 | 59 | 61 | 61 |
| Potassium | g/m ³ | 11.0 | 9.6 | 9.8 | 9.6 |
| Magnesium | g/m ³ | 73 | 62 | 62 | 67 |
| Sodium | g/m ³ | 184 | 167 | 177 | 184 |

Table 9 Results of groundwater sampling at site GND2456 under consent 5312-2.1 (Kaimiro-O)

| Commis dataila | 11 | Kaimiro-O GND | | | 2456 Consent 5312-2.1 | | |
|------------------------------|-----------------------------------|---------------|---------|---------|-----------------------|--|--|
| Sample details | Units | Maximum | Minimum | - | - | | |
| Alkalinity | g/m³ CaCo₃ | 335 | 300 | 320 | 330 | | |
| Bicarbonate | g/m ³ HCO ₃ | 400 | 360 | 390 | 400 | | |
| Total Nitrogen | g/m³ N | 0.016 | 0.002 | 0.011 | 0.002 | | |
| Nitrite | g/m³ N | 0.011 | <0.002 | 0.011 | <0.002 | | |
| Nitrate | g/m³ N | 0.007 | < 0.002 | <0.002 | 0.002 | | |
| Sulphate | g/m ³ | 310 | 270 | 270 | 280 | | |
| Benzene | g/m ³ | <0.0010 | <0.0010 | <0.0010 | <0.0010 | | |
| Ethylbenzene | g/m ³ | <0.0010 | <0.0010 | <0.0010 | <0.0010 | | |
| Toluene | g/m ³ | 0.0014 | <0.0010 | <0.0010 | <0.0010 | | |
| Xylene-O | g/m ³ | 0.023 | <0.0010 | <0.0010 | <0.0010 | | |
| Xylene-M | g/m ³ | 0.069 | < 0.002 | <0.002 | < 0.002 | | |
| Total petroleum hydrocarbons | g/m ³ | 10.7 | <0.7 | <0.7 | <0.7 | | |

Table 10 Results of groundwater sampling GND2464/GND2770 under consent 7466-1 (Kowhai-A)

| Comple dataile | l luite | | Kowhai-A Co | onsent 7466-1 | |
|------------------------------|------------------|---------------------------|-------------|---------------|-------------|
| Sample details | Units | Maximum | Minimum | GND2464 | GND2770 |
| Date | - | 1 Jul 2014 to 30 Jun 2018 | | 10 Oct 2017 | 25 May 2018 |
| Time | NZST | | | | 12:30 |
| TRC sample number | - | - | - | TRC173492 | TRC182048 |
| рН | pH units | 6.8 | 6.0 | 6.7 | 6.2 |
| Electrical conductivity | mS/m@20°C | 31.6 | 18.4 | 22.6 | 31.6 |
| Chloride | g/m ³ | 86.8 | 40.4 | 55.6 | 73.0 |
| Total petroleum hydrocarbons | g/m ³ | <0.7 | <0.5 | <0.5 | <0.7 |

Table 11 Results of groundwater sampling at site GND2472 under consent 7897-1 (Kaimiro-J)

| Comula dataila | l lucita | Kaimiro-J GND2472 Co | | | Consent 7897-1 | |
|------------------------------|------------------|---------------------------|---------|------------|----------------|--|
| Sample details | Units | Maximum | Minimum | - | - | |
| Date | - | 1 Jul 2014 to 30 Jun 2018 | | 9 Oct 2017 | 1 May 2018 | |
| Time | NZST | | | 10:18 | 11:30 | |
| TRC sample number | - | - | - | TRC173461 | TRC182049 | |
| рН | pH units | 7.6 | 7.1 | 7.5 | 7.1 | |
| Electrical conductivity | mS/m@20°C | 45.5 | 20.7 | 29.5 | 20.7 | |
| Chloride | g/m³ | 19.5 | 13.3 | 13.3 | 14.2 | |
| Total petroleum hydrocarbons | g/m ³ | 0.8 | <0.5 | <0.5 | < 0.5 | |

Table 12 Results of groundwater sampling at site GND1673 under consent 9272-2 (Turangi-A)

| Comple details | l lucito | Turangi-A GND1673 consent 9272-2 | | | |
|------------------------------|------------------|----------------------------------|---------|------------|------------|
| Sample details | Units | Maximum | Minimum | - | - |
| Date | - | 1 Jul 2014 to 30 Jun 2018 | | 5 Oct 2017 | 3 May 2018 |
| Time | NZST | | | 11:00 | 09:45 |
| TRC sample number | - | - | - | TRC173453 | TRC182051 |
| рН | pH units | 7.6 | 6.3 | 7.1 | 6.3 |
| Electrical conductivity | mS/m@20°C | 33.2 | 20.0 | 28.7 | 20.0 |
| Chloride | g/m ³ | 44.2 | 13.8 | 15.4 | 44.2 |
| Total petroleum hydrocarbons | g/m ³ | <0.7 | <0.5 | <0.5 | <0.5 |

| Comple dataile | Units | Tura | angi-A GND223 | i-A GND2232 consent 9272-2 | | |
|------------------------------|------------------|---------------------------|---------------|----------------------------|------------|--|
| Sample details | Units | Maximum | Minimum | - | - | |
| Date | - | 1 Jul 2014 to 30 Jun 2018 | | 10 Oct 2017 | 3 May 2018 | |
| Time | NZST | | | | 10:00 | |
| TRC sample number | - | - | - | TRC173491 | TRC182047 | |
| рН | pH units | 7.3 | 6.5 | 6.6 | 6.5 | |
| Electrical conductivity | mS/m@20°C | 21.8 | 16.5 | 16.5 | 19.3 | |
| Chloride | g/m ³ | 40.2 | 22.6 | 32.2 | 40.2 | |
| Total petroleum hydrocarbons | g/m ³ | <0.5 | <0.5 | <0.5 | <0.5 | |

Table 13 Results of groundwater sampling at site GND2232 under consent 9272-2 (Turangi-A)

Table 14 Results of groundwater sampling at site GND0701 under consent 9470-1 (Kaimiro-G)

| Comunic dotaile | 11 | Kaimiro-G GND0701 Consent 9470-1 | | | | | |
|------------------------------|------------------|----------------------------------|---------|------------|------------|--|--|
| Sample details | Units | Maximum | Minimum | - | - | | |
| Date | - | 1 Jul 2014 to 30 Jun 2018 | | 7 Nov 2017 | 1 May 2018 | | |
| Time | NZST | | | 12:40 | 10:04 | | |
| TRC sample number | - | - | - | TRC173968 | TRC182052 | | |
| рН | pH units | 7.1 | 6.4 | 6.5 | 6.4 | | |
| Electrical conductivity | mS/m@20°C | 22.0 | 17.7 | 17.7 | 18.0 | | |
| Chloride | g/m ³ | 30.1 | 19.7 | 28.0 | 30.1 | | |
| Total petroleum hydrocarbons | g/m ³ | <0.5 | <0.5 | <0.5 | <0.5 | | |

Table 15 Results of groundwater sampling at site GND2353 under consent 9470-1 (Kaimiro-G)

| Sample datails | Unite | Units Kaimiro-G GND | | | 353 Consent 9470-1 | | |
|------------------------------|------------------|---------------------------|-----------|------------|--------------------|--|--|
| Sample details | Onits | Maximum | Minimum - | | - | | |
| Date | - | 1 Jul 2014 to 30 Jun 2018 | | 9 Oct 2017 | 1 May 2018 | | |
| Time | NZST | | | 8:50 | 09:00 | | |
| TRC sample number | - | - | - | TRC173462 | TRC182053 | | |
| рН | pH units | 6.2 | 5.7 | 5.8 | 5.8 | | |
| Electrical conductivity | mS/m@20°C | 14.0 | 9.7 | 10.5 | 12 | | |
| Chloride | g/m ³ | 20.0 | 9.7 | 10.3 | 12.6 | | |
| Total petroleum hydrocarbons | g/m ³ | <0.5 | <0.5 | <0.5 | < 0.5 | | |

2.4 Provision of consent holder data

The Company provided full records of injection activities carried out during the 2017-2018 monitoring period, including injection hours, volumes, rate, and pressure data.

Table 16 provides an overview of the Company's injection activities across all consents during the monitoring period.

The injection data provided by the Company is summarised by consent in Tables 17, 18, 19, 20, 21 and 22. Data since 2013 is also presented in each table for comparison.

The injection volume and pressure data provided by the Company for injection carried out via the Kaimiro-O, Kowhai-A, Kaimiro-J, Kowhai-A, Turangi-A and Kaimiro-G injection wells are presented graphically in Figures 4, 5, 6, 7 and 8.

The total injection volume of 57,742 m³ was lower during the review period than in the preceding monitoring years. The greatest volume of fluid was disposed of at the Turangi-A wellsite, where the Company injected 34% of their total discharge volume via the Turangi-5 well.

The volume of injection decreased at the Kowhai-A and Kaimiro-J wellsites and increased at the Kaimiro-O, Turangi-A and Kaimiro G wellsites in comparison to the previous monitoring year.

The data presented by the Company shows that injection rates and pressures remained within consented limits across all wellsites throughout the year.

| | | | Total volume | Discharg | Discharge period | |
|----------|-----------|-----------------------|--|------------|------------------|---------|
| Consent | Wellsite | Injection well | discharged (m ³) 01/07/17 – 30/06/18 | From | То | Well ID |
| 5312-2.1 | Kaimiro-O | Kaimiro-17 | 9,310.00 | 01/07/2017 | 30/06/2018 | GND1385 |
| 7466-1 | Kowhai-A | Kowhai-2 | 9,993.09 | 01/07/2017 | 30/06/2018 | GND2289 |
| 7897-1 | Kaimiro-J | Kaimiro-11 | 7,137.10 | 03/02/2017 | 30/06/2018 | GND1377 |
| 9272-2 | Turangi-A | Turangi-5 | 20,024.60 | 01/07/2017 | 30/06/2018 | GND2365 |
| 9470-1 | Kaimiro-G | Kaimiro-10/Kaimiro-19 | 5,277.33 | 01/07/2017 | 30/06/2018 | GND2351 |
| | Tc | otal | 57,742.12 | - | - | - |

Table 16 Summary of injection activity during the 2017-2018 monitoring year

Table 17 Summary of historical injection activity

| Period | Total volume discharged (m ³) | Period | Total volume discharged (m ³) |
|------------|---|------------|---|
| 2017-2018 | 57,742 | 2009-2010* | 77,211 |
| 2016-2017 | 62,618 | 2008-2009 | 15,992 |
| 2015-2016 | 89,308 | 2007-2008 | 16,870 |
| 2014-2015 | 91,909 | 2006-2007 | 18,833 |
| 2013-2014 | 98,517 | 2005-2006 | 29,631 |
| 2012-2013 | 84,032 | 2004-2005 | 14,916 |
| 2011-2012* | 77,211 | 2003-2004 | 10,482 |
| 2010-2011* | 77,211 | - | - |

Note *=volume was reported from 2009-2012 (231,633 m³) so total has been averaged over the three year period.

Table 18 Summary of injection occurring under consent 5312-1 and 5312-2/2.1 (2013-2018)

| Kaimiro-17 injection well | | | | | | | | | |
|------------------------------|------------------------------------|--------------------------------------|--------------------------------------|--|--|--|--|--|--|
| Year | Annual volume (m ³) | Max. injection volume (m³/day) | Maximum injection rate (m³/hr) | Maximum injection pressure (bar) | Average injection pressure (bar) | | | | |
| Consent limit 5312-2 and 2.1 | - | 1,000 | 41.6 | 85 | - | | | | |
| 2017-2018 | 9,310 | 71 | 35.5 | 85 | 71 | | | | |
| 2016-2017 | 2,000 | 77 | 26.0 | 85 | 64 | | | | |

| | Kaimiro-17 injection well | | | | | | | | | |
|-------------------------|------------------------------------|--------------------------------------|---|--|--|--|--|--|--|--|
| Year | Annual volume (m ³) | Max. injection volume (m³/day) | Maximum injection rate (m ³ /hr) | Maximum injection pressure (bar) | Average injection pressure (bar) | | | | | |
| 2015-2016 | 9,919 | 92 | 36.8 | 70 | 59 | | | | | |
| Consent limit 5312-1 | - | - | - | - | - | | | | | |
| 2014-2015 | 13,403 | 58 | 18.3 | 119** | 74 | | | | | |
| 2013-2014 | 15,299 | 69 | 18.0 | 93** | 72 | | | | | |

**Maximum injection pressures recorded during the 2013-2014 and 2015-2016 reporting periods were under consent 5312-1 prior to the consent limited of 85 bar being applied.

Table 19 Summary of injection occurring under consent 7466-1 (2013-2018)

| | Kowhai-2 (WDW) injection well | | | | | |
|---------------|------------------------------------|--------------------------------------|--|-------------------------------------|-------------------------------------|--|
| Year | Annual Volume (m ³) | Max. injection volume (m³/day) | Max. injection rate (m ³ /hr) | Max. injection pressure (bar) | Avg. injection pressure (bar) | |
| Consent limit | - | 916 | 38.0 | 92 | - | |
| 2017-2018 | 9,993 | 143 | 11.9 | 23 | 21 | |
| 2016-2017 | 20,181 | 86 | 10.7 | 23 | 19 | |
| 2015-2016 | 30,106 | 109 | 6.9 | 27 | 23 | |
| 2014-2015 | 35,918 | 121 | 7.0 | 27 | 22 | |
| 2013-2014 | 36,552 | 159 | 6.6 | 28 | 24 | |

Table 20 Summary of injection occurring under consent 7897-1 (2013-2018)

| | Kaimiro-11 injection well | | | | | |
|---------------|------------------------------------|--------------------------------------|-----------------------------------|-------------------------------------|-------------------------------------|--|
| Year | Annual Volume (m ³) | Max. injection volume (m³/day) | Max. injection rate (m³/hr) | Max. injection pressure (bar) | Avg. injection pressure (bar) | |
| Consent limit | - | 687 | 29 | 115 | - | |
| 2017-2018 | 7,137 | 124 | 11.1 | 50 | N/A* | |
| 2016-2017 | 19,077 | 119 | 28.8 | 55 | 47 | |
| 2015-2016 | 30,615 | 186 | 15.3 | 53 | 52 | |
| 2014-2015 | 16,960 | 137 | 14.0 | 56 | 49 | |
| 2013-2014 | 24,885 | 191 | 10.9 | 76 | 44 | |

Note * average injection pressures not required under consent 7897-1

| | Turangi-5 (WDW) injection well | | | | |
|-------------------------|------------------------------------|--------------------------------------|--|-------------------------------------|-------------------------------------|
| Year | Annual Volume (m ³) | Max. injection volume (m³/day) | Max. injection rate (m ³ /hr) | Max. injection pressure (bar) | Avg. injection pressure (bar) |
| Consent limit 9272-2 | - | - | - | 111 | - |
| 2017-2018 | 20,025 | 195 | 11.0 | 26 | 19 |
| 2016-2017 | 18,520 | 180 | 23.0 | 31 | 20 |
| 2015-2016 | 1,304 | 53 | 10.2 | 22 | 21 |
| Consent limit 9272-1 | - | 687 | 28.6 | 115 | - |
| 2015-2016 | 15,468 | 192 | 12.1 | 29 | 22 |
| 2014-2015 | 14,746 | 59 | 31.1 | 27 | 20 |
| 2013-2014 | 17,411 | 142 | 20.6 | 32 | 27 |

Table 21 Summary of injection occurring under consent 9272-1 and 9272-2 (2013-2018)

Table 22 Summary of injection occurring under consent 9470-1 (2015-2017)

| | K | aimiro-10 and Kaim | iro-19 injection w | ells | |
|---------------|------------------------------------|---|---|---|-------------------------------------|
| Year | Annual Volume (m ³) | Max. injection volume (m ³ /day) | Max. injection rate K-10/K-19 (m³/hr) | Max. injection pressure K-10/K- 19 (bar) | Avg. injection pressure (bar) |
| Consent limit | - | 206 | 8.6 | 73 | - |
| 2017-2018 | 5,277 | 184 | 8.5/8.6 | 73/0 | 72 |
| 2016-2017 | 2,840 | 133 | 6.7/8.6 | 72/0 | 72/0 |
| 2015-2016 | 1,896 | 76 | 7.2 | 73 | 72 |
| 2014-2015 | 10,882 | 121 | 9.1 | 73 | 42 |
| 2013-2014 | 4,370 | 63 | 8.6 | 74 | 69 |

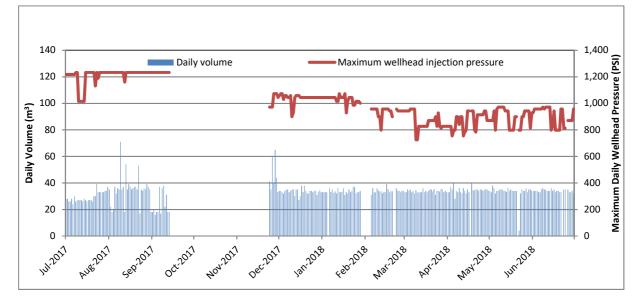


Figure 4 Total daily injection volume and pressure Kaimiro-O consent 5312-2.1 (2017-2018)

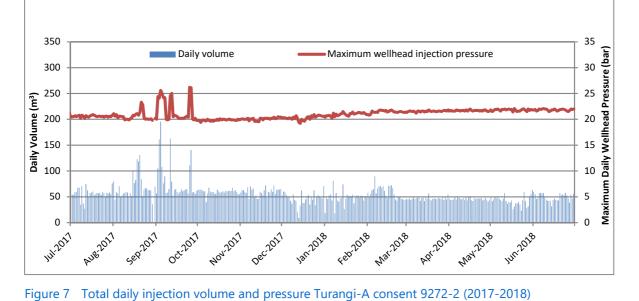


Figure 6 Total daily injection volume and pressure Kaimiro-J consent 7897-1 (2017-2018)

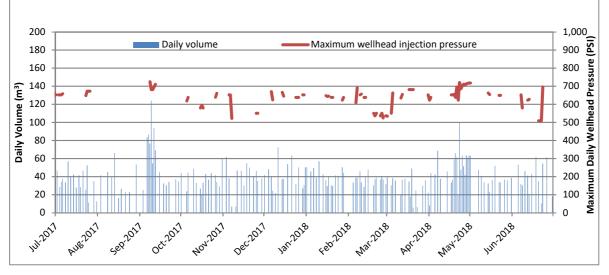
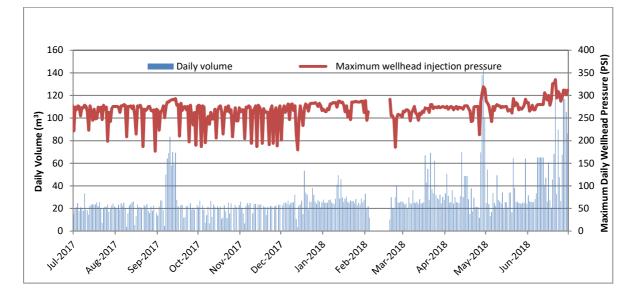


Figure 5Total daily injection volume and pressure Kowhai-A consent 7466-1 (2017-2018)



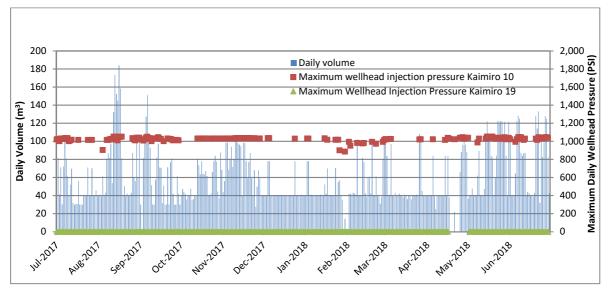


Figure 8 Total daily injection volume and pressure Kaimiro-G consent 9470-1 (2016-2017)

2.5 Investigations, interventions, and incidents

The monitoring programme for the year was based on what was considered to be an appropriate level of monitoring, review of data, and liaison with the Company. During the year matters may arise which require additional activity by the Council, for example provision of advice and information, or investigation of potential or actual causes of non-compliance or failure to maintain good practices. A pro-active approach that in the first instance avoids issues occurring is favoured.

The Council operates and maintains a register of all complaints or reported and discovered excursions from acceptable limits and practices, including non-compliance with consents, which may damage the environment. The incident register includes events where the Company concerned has itself notified the Council. The register contains details of any investigation and corrective action taken.

Complaints may be alleged to be associated with a particular site. If there is potentially 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 2017-2018 period, the Council was not required to undertake significant additional investigations and interventions, or record incidents, in association with the Company's conditions in resource consents or provisions in Regional Plans.

3 Discussion

3.1 Discussion of site performance

During the period under review, the Company exercised five resource consents authorising the discharge of fluids by DWI. The exercised consents licensed discharges of various forms of fluid into the Mount Messenger formation. The main source of fluids for injection was produced water from the Company's Turangi, Kowhai and Kaimiro fields.

The operation of the injection wells is monitored by Company staff, with automated systems recording the injection data required under the conditions of their consent. This data was submitted to the Council at the specified frequency throughout the monitoring period.

A review of the injection data provided by the Company shows that a total of 57,742 m³ of fluid was discharged by DWI across all consents exercised during the 2017-2018 period. The volume injected represents a continued decline in total injection volumes over the previous four periods of monitoring which saw 62,618 m³, 89,308 m³, 91,909 m³ and 98,517 m³ discharged in the 2016-2017, 2015-2016, 2014-2015 and 2013-2014 periods, respectively. The greatest volume of injection via any single well during the 2017-2018 period occurred via the Turangi-5 well located at the Turangi-A wellsite.

In summary the following activities were undertaken across each site:

- At the Kaimiro-O wellsite under consent 5312-2.1 the Company:
 - Injected 9,310 m³ of fluid into the Mount Messenger Formation via the Kaimiro-17 well;
 - Recorded a maximum daily injection volume of 71 m³, which occurred on 9 August 2017; and
 - Recorded a maximum injection pressure of 85 bar on multiple occasions during the review period.
- At the Kowhai-A wellsite under consent 7466-1 the Company:
 - Injected 9,993 m³ of fluid into the Mount Messenger Formation via the Kowhai-2 well;
 - Recorded a maximum daily volume injected of 143 m³ which occurred on 1 May 2018;
 - Recorded a maximum injection rate of 11.9 m³/hr; and
 - Recorded a maximum injection pressure of 23 bar on 21 June 2018.
- At the Kaimiro-J wellsite under consent 7897-1 the Company:
 - Injected 7,137 m³ of fluid into the Mount Messenger Formation via the Kaimiro-11 well;
 - Recorded a maximum daily volume injected of 124 m³, occurring on 9 September 2017;
 - Recorded a maximum injection rate of 11.1 m³/hr; and
 - Recorded a maximum injection pressure of 50 bar on 8 November 2017.
- At the Turangi-A wellsite under consent 9272-2 the Company:
 - Injected 20,025 m³ of fluid into the Mount Messenger Formation via the Turangi-5 well;
 - Recorded a maximum daily volume injected was 195 m³, which occurred on 4 September 2017;
 - Recorded a maximum injection rate of 11 m³/hr; and
 - Recorded a maximum injection pressure of 26 bar on 25 September 2017.
- At the Kaimiro-G wellsite under consent 9470-1 the Company:
 - Injected a total of 5,277 m³ of fluid into the Mount messenger Formation via the Kaimiro-10 and Kaimiro-19 wells;
 - Recorded a maximum daily volume injected of 184 m³, which occurred on 6 August 2017;
 - Recorded a maximum injection rate of 8.6 m³/hr (Kaimiro-19 well); and

- Recorded a maximum injection pressure of 72.5 bar (Kaimiro-10 well) on 15 and 19 May 2018.

During the review period the Company managed their injection activities to comply with all specific restrictions on injection volumes, rates and pressures stipulated in the conditions of each of their DWI consents.

All the required data was provided at the specified frequencies, with one minor exception. The electrical conductivity concentrations required for the injectate sampling at the Turangi-A wellsite under consent 9272-2 were not provided.

Modelling of injection zones undertaken by the Company indicates that injection operations being undertaken within the limits stipulated in their consent conditions pose no risk to the integrity of geological seals confining the injection zone targeted at each active injection site. Additionally, the modelling shows that the receiving formations targeted for injection at all sites retain capacity for on-going injection.

To monitor the mechanical integrity of each active injection well, the Company also undertakes continuous monitoring of annular pressure in each well. The results of the monitoring show no evidence of any potential integrity issues in any well currently utilised for injection.

Routine inspections of active injection sites undertaken by the Council during the period under review found no issues in relation to any of the Company's DWI activities. The Council was not required to enter any incidents in relation to the exercising of the Company's DWI consents during the review period, nor were any complaints received from the public in relation to these consents.

3.2 Environmental effects of exercise of consents

To date, no adverse environmental effects have been recorded by the Council in relation to any DWI consent exercised by the Company.

The groundwater monitoring component of this programme continued during the period under review, with two samples being taken from monitoring sites in the vicinity of the Company's active injection wells. The results of the monitoring carried out show that the groundwater composition at each site has remained stable since the commencement of monitoring during the 2012-2013 period. Some very minor fluctuations in analyte concentrations are attributable to seasonal variations in water composition and standard sampling variability. There is no evidence to suggest that injection activities undertaken by the Company during the review period have had any adverse effect on local groundwater quality.

No complaints were received from the public with regard to any of the Company's DWI activities during the period under review, and no incidents were recorded by the Council.

Compliance with the conditions of the Company's DWI consents exercised during the 2017-2018 monitoring period is summarised below in Section 3.3.

3.3 Evaluation of performance

A tabular summary of the consent holder's compliance record for the year under review is set out in Tables 23 to Table 27 and an evaluation of the Company's environmental performance in relation to their DWI activities since 2007 is presented in Table 28.

Table 23 Summary of performance for consent 5312-2.1

Purpose: To discharge groundwater from the Matemateaonga Formation and produced water into the Mount Messenger Formation for improved hydrocarbon recovery purposes at the Kaimiro-O wellsite.

| | Condition requirement | Means of monitoring during period under review | Compliance achieved? |
|-----|--|--|----------------------|
| 1. | Prior to exercising the consent, the consent holder shall submit an "Injection Operation Management Plan." | Receipt of satisfactory "Injection Operation Management Plan." | Yes |
| 2. | Injection well, geological and operational data submission requirements. This information can be included in the "Injection Operation Management Plan." | Receipt of satisfactory information. | Yes |
| 3. | The injection pressure at the wellhead shall not exceed 85 bar | Review and analysis of injection data. | Yes |
| 4. | The rate of injection shall not exceed 41.6 m ³ /hour | Review and analysis of injection data. | Yes |
| 5. | The volume of fluid injected shall not exceed 1,000 m ³ /day. | Review and analysis of injection data. | Yes |
| 6. | No injection permitted after 1 June 2027 | Assessment of injection records and site inspection notices | Yes |
| 7. | The consent holder shall at all times adopt the best practicable option. | Assessment of consent holder records and site inspection notices. | Yes |
| 8. | The injection of fluids shall be confined to the Mount Messenger Formation, deeper than 1,000 metres total vertical depth sub-sea. | Review of "Injection Operation Management Plan," well construction log and injection data. | Yes |
| 9. | Discharge must not result in fracturing of geological seals confining the injection zone. | Assessment of injection records and results of groundwater sampling and analysis programme. | Yes |
| 10. | The consent holder shall ensure that the exercise of this consent does not result in contaminants reaching any useable freshwater (groundwater or surface water). | Assessment of injection records and results of groundwater sampling and analysis programme. | Yes |
| 11. | Maintain full records of injection data. | Receipt and assessment of injection data. | Yes |

| Me | Messenger Formation for improved hydrocarbon recovery purposes at the Kaimiro-O wellsite. | | | |
|-----|---|--|----------------------|--|
| | Condition requirement | Means of monitoring during period under review | Compliance achieved? | |
| 12. | Maintain records and undertake analysis to characterise injectate at intervals not exceeding six months. | Receipt and assessment of injection data. | Yes | |
| 13. | If not carried out by an IANZ accredited laboratory, analysis shall be carried out in accordance with QA plan which has been certified by the Chief Executive | Inspection of QA plan. | N/A | |
| 14. | The consent holder shall undertake a programme of sampling and testing (the 'Monitoring Programme') that monitors the effects of the exercise of this consent on freshwater resources. | Monitoring Programme submitted to the Chief Executive, Taranaki Regional Council, for certification. | Yes | |
| 15. | Lists the range of parameters required to be tested for in the analysis of groundwater samples. | Implementation of groundwater monitoring programme and assessment of results. | Yes | |
| 16. | All groundwater sampling and analysis shall be undertaken in accordance with a Sampling and Analysis Plan, which shall be submitted to the Chief Executive, Taranaki Regional Council for review and certification before the first sampling is undertaken. | Receipt of Sampling and Analysis Plan prior to first round of sampling being undertaken. | Yes | |
| 17. | The consent holder shall provide to the Council, before 30 June each year, a summary of all data required by conditions 11 and 12, and a report detailing compliance with consent conditions over the previous 1 July to 30 June period. The report shall also provide an assessment of injection well condition, well integrity and an updated injection modelling report. | Receipt of satisfactory report before 30 June each year. | Yes | |
| 18. | Review provision. | N/A | N/A | |

Purpose: To discharge groundwater from the Matemateaonga Formation and produced water into the Mount Messenger Formation for improved hydrocarbon recovery purposes at the Kaimiro-O wellsite.

| | from the Matemateaonga Formation and produ nydrocarbon recovery purposes at the Kaimiro-C | |
|---|---|----------------------|
| Condition requirement | Means of monitoring during period under review | Compliance achieved? |
| Overall assessment of consent compli respect of this consent | Overall assessment of consent compliance and environmental performance in respect of this consent | |
| Overall assessment of administrative | performance in respect of this consent | High |

Table 24 Summary of performance for consent 7466-1

| | Condition requirement | Means of monitoring during period under review | Compliance achieved? |
|-----|--|---|-------------------------|
| • | Provision of geological and injection well construction information. | Receipt of satisfactory information. | Yes |
| 2. | The maximum injection pressure shall not exceed 92 bar (1,352 psi). | Assessment of consent holder records. | Yes |
| 3. | The volume of liquid re- injected shall not exceed 916 m ³ /day. | Assessment of consent holder records. | Yes |
| 4. | The rate of injection shall not exceed 38 m ³ /hour. | Assessment of consent holder records. | Yes |
| 5. | The injection of fluids shall be confined to the Mount Messenger Formation, deeper than 970 metres true vertical depth below ground level. | Review of "Injection Operation Management Plan," well construction log and injection data. | Yes |
| 6. | Recording requirements for discharge volumes, rates, and pressures. | Receipt of well discharge data. | Yes |
| 7. | Chemical analysis of discharge. | Receipt of discharge analysis results. | Yes |
| 8. | Provision of annual report detailing all records collected in accordance with conditions 4 & 5. | Receipt of satisfactory information. | Yes |
| 9. | Notification provision. | Received five working days prior to consent exercise. | Yes |
| 10. | Submission of an Injection Operation Management Plan. | Receipt of satisfactory information. | Yes |
| | erall assessment of consent comp his consent | iance and environmental performance in respect | High |
| | | performance in respect of this consent | High |

Table 25 Summary of performance for consent 7897-1

Purpose: To discharge produced water, well drilling fluids, well workover fluids, hydraulic fracturing fluids and 'off-spec' stormwater from the consent holder's wellsites into the Mount Messenger Formation by deep well injection via the KAI-11 waste disposal well.

| | Condition requirement | Means of monitoring during period under review | Compliance achieved? |
|-----|--|---|-------------------------|
| 1. | Prior to exercising the consent, the consent holder shall submit an Injection Operation Management Plan. | Receipt of satisfactory Injection Operation Management Plan. | Yes |
| 2. | Injection well, geological and operational data submission requirements. This information can be included in the Injection Operation Management Plan. | Receipt of satisfactory information. | Yes |
| 3. | The injection pressure at the wellhead shall not exceed 115 bar (1,685 psi). | Review and analysis of injection data. | Yes |
| 4. | The rate of injection shall not exceed 687 m ³ /day (3 bpm). | Review and analysis of injection data. | Yes |
| 5. | The volume of fluid injected shall not exceed 687 m³/day. | Review and analysis of injection data. | Yes |
| 6. | The injection of fluids shall be confined to the Mount Messenger Formation, deeper than 1,320 metres true vertical depth below ground level. | Review of Injection Operation Management Plan, well construction log and injection data. | Yes |
| 7. | The consent holder shall at all times adopt the best practicable option. | Assessment of consent holder records and site inspection notices. | Yes |
| 8. | Maintain full records of injection data. | Receipt and assessment of injection data. | Yes |
| 9. | Maintain records and undertake analysis to characterise each type of waste arriving on-site for discharge. | Receipt and assessment of injection data. | Yes |
| 10. | The data required by conditions 9 & 10 above, for each calendar month, is required to be submitted by the 15th day of the following month. | Receipt of satisfactory data by the date specified. | Yes |
| 11. | The consent holder shall notify the Chief Executive, Taranaki Regional Council, in writing at least five days prior to the first exercise of this consent. | Notification received by Council. | Yes |

Purpose: To discharge produced water, well drilling fluids, well workover fluids, hydraulic fracturing fluids and 'off-spec' stormwater from the consent holder's wellsites into the Mount Messenger Formation by deep well injection via the KAI-11 waste disposal well.

| | Condition requirement | Means of monitoring during period under review | Compliance achieved? |
|-----|--|--|-------------------------|
| 12. | The consent holder shall ensure that the exercise of this consent does not result in contaminants reaching any useable freshwater (groundwater or surface water). | Assessment of injection records and results of groundwater sampling and analysis programme. | Yes |
| 3. | The consent holder shall undertake a programme of sampling and testing (the 'Monitoring Programme') that monitors the effects of the exercise of this consent on freshwater resources. | Monitoring Programme submitted to the Chief Executive, Taranaki Regional Council, for certification. | Yes |
| 14. | Lists the range of parameters required to be tested for in the analysis of groundwater samples. | Implementation of Groundwater Monitoring Programme and assessment of results. | Yes |
| 15. | All groundwater sampling and analysis shall be undertaken in accordance with a Sampling and Analysis Plan, which shall be submitted to the Chief Executive, Taranaki Regional Council for review and certification before the first sampling is undertaken. | Receipt of Sampling and Analysis Plan prior to first round of sampling being undertaken. | Yes |
| 6. | The consent holder shall provide to the Council, during the month of May each year, a summary of all data collected and a report detailing compliance with consent conditions over the previous 1 July to 30 June period. The report shall also provide an assessment of injection well condition, well integrity and an updated injection modelling report. | Receipt of satisfactory report during May each year. | Yes |
| 17. | Lapse clause. | Receive notice of exercise of consent. | Yes |
| 8. | Consent review provision. | N/A | N/A |
| | erall assessment of consent compl his consent | iance and environmental performance in respect | High |
| | | performance in respect of this consent | High |

Table 26 Summary of performance for consent 9272-2

Purpose: To discharge produced water, well drilling fluids, well workover fluids and contaminated stormwater into the Mount Messenger Formation by deep well injection via the Turangi-A waste disposal well

| | Condition requirement | Means of monitoring during period under review | Compliance achieved? |
|-----|--|---|-------------------------|
| 1. | Authorises discharge via Turangi-5 well or an alternate well at the wellsite | Receipt of satisfactory information | Yes |
| 2. | Prior to exercising the consent, the consent holder shall submit an "Injection Operation Management Plan." | Receipt of satisfactory "Injection Operation Management Plan." | Yes |
| 3. | Injection well, geological and operational data submission requirements. This information can be included in the "Injection Operation Management Plan." | Receipt of satisfactory information | Yes |
| 4. | No injection permitted after 1 June 2031 | Review and analysis of injection data. | |
| 5. | The consent holder shall at all times adopt the best practicable option. | Assessment of consent holder records and site inspection notices. | Yes |
| 6. | The injection of fluids shall be confined to the Mount Messenger Formation, deeper than 1,350 metres true vertical depth below ground level. | Review of "Injection Operation Management Plan," well construction log and injection data. | Yes |
| 7. | The wellhead pressure shall not exceed 1610 psi (111 bar) | Review and analysis of injection data. | Yes |
| 8. | The consent holder shall ensure discharge does not fracture any geological seal | Assessment of injection records and results of groundwater sampling and analysis programme. | Yes |
| 9. | The consent holder shall ensure that the exercise of this consent does not result in contaminants reaching any useable freshwater (groundwater or surface water). | Assessment of injection records and results of groundwater sampling and analysis programme. | Yes |
| 10. | Limits the range of fluids that can be discharged under the consent. | Assessment of consent holder records and injectate sample analysis. | Yes |
| 11. | Maintain full records of injection data. | Receipt and assessment of injection data. | Yes |
| 12. | Maintain records and undertake analysis to characterise each type of waste arriving on-site for discharge. | Receipt and assessment of injection data. | Yes |

Purpose: To discharge produced water, well drilling fluids, well workover fluids and contaminated stormwater into the Mount Messenger Formation by deep well injection via the Turangi-A waste disposal well.

| | Condition requirement | Means of monitoring during period under review | Compliance achieved? |
|-----|--|--|-------------------------|
| 13. | If not carried out by an IANZ accredited laboratory, analysis shall be carried out in accordance with QA plan which has been certified by the Chief Executive QA/QC | Inspection of QA plan | Yes |
| 14. | Discharge must not result in fracturing of geological seals confining the injection zone. | | |
| 15. | The consent holder shall undertake a programme of sampling and testing (the 'Monitoring Programme') that monitors the effects of the exercise of this consent on freshwater resources. | Monitoring Programme submitted to the Chief Executive, Taranaki Regional Council, for certification. | Yes |
| 16. | Lists the range of parameters required to be tested for in the analysis of groundwater samples. | Implementation of groundwater monitoring programme and assessment of results. | Yes |
| 17. | All groundwater sampling and analysis shall be undertaken in accordance with a Sampling and Analysis Plan, which shall be submitted to the Chief Executive, Taranaki Regional Council for review and certification before the first sampling is undertaken. | Receipt of Sampling and Analysis Plan prior to first round of sampling being undertaken. | Yes |
| 18. | The consent holder shall provide to the Council, during the month of May each year, a summary of all data collected and a report detailing compliance with consent conditions over the previous 1 July to 30 June period. The report shall also provide an assessment of injection well condition, well integrity and an updated injection modelling report. | Receipt of satisfactory report during May each year. | Yes |
| 19. | Consent review provision. | N/A | N/A |

| Purpose: To discharge produced water, well drilling fluids, well workover fluids and contaminated stormwater into the Mount Messenger Formation by deep well injection via the Turangi-A waste disposal well. | | | |
|---|-------------------------|--|--|
| Condition requirement | Compliance achieved? | | |
| Overall assessment of consent compli of this consent | High | | |
| Overall assessment of administrative performance in respect of this consent | | | |

Table 27 Summary of performance for consent 9470-1

Purpose: To discharge produced water, well drilling fluids, well workover fluids into the Mount Messenger Formation by deep well injection via the Kaimiro-G wellsite. Means of monitoring during Compliance **Condition requirement** period under review achieved? Receipt of satisfactory 1. Prior to exercising the consent, the consent holder shall "Injection Operation Yes submit an "Injection Operation Management Plan." Management Plan." 2. Injection well, geological and operational data Receipt of satisfactory submission requirements. This information can be Yes information. included in the "Injection Operation Management Plan." The injection pressure at the wellhead shall not exceed Review and analysis of 3. Yes 1,077 psi (73 bars). injection data. Review and analysis of The rate of injection shall not exceed 8.6 m³/hr (0.9 bpm). Yes 4. injection data. Review and analysis of 5. The volume of fluid injected shall not exceed 206 m^3/day . Yes injection data. **Review of "Injection** The injection of fluids shall be confined to the Mount 6. **Operation Management** Messenger Formation, deeper than - 995 metres true Yes Plan," well construction log vertical depth Sub-sea. and injection data. Assessment of consent holder 7. The consent holder shall at all times adopt the best records and site inspection Yes practicable option. notices. Assessment of consent holder Limits the range of fluids that can be discharged under 8. records and injectate sample Yes the consent. analysis. Receipt and assessment of 9. Maintain full records of injection data. Yes injection data. 10. Maintain records and undertake analysis to characterise Receipt and assessment of Yes each type of waste arriving on-site for discharge. injection data. 11. The data required by conditions 9 & 10 above, for each Receipt of satisfactory data by calendar month, is required to be submitted by the 15th Yes the date specified. day of the following month.

Purpose: To discharge produced water, well drilling fluids, well workover fluids into the Mount Messenger Formation by deep well injection via the Kaimiro-G wellsite.

| | Condition requirement | Means of monitoring during period under review | Compliance achieved? |
|-----|---|---|-------------------------|
| 12. | The consent holder shall ensure that the exercise of this consent does not result in contaminants reaching any useable freshwater (groundwater or surface water). | Assessment of injection records and results of groundwater sampling and analysis programme. | Yes |
| 13. | The consent holder shall undertake a programme of sampling and testing (the 'Monitoring Programme') that monitors the effects of the exercise of this consent on freshwater resources. | Monitoring Programme submitted to the Chief Executive, Taranaki Regional Council, for certification. | Yes |
| 14. | All groundwater samples taken for monitoring purposes shall be taken in accordance with recognised field procedures and analysed for: a) pH b) conductivity c) chloride; and d) total petroleum hydrocarbons | Implementation of Groundwater Monitoring Programme and assessment of results. | Yes |
| 15. | All groundwater sampling and analysis shall be undertaken in accordance with a Sampling and Analysis Plan, which shall be submitted to the Chief Executive, Taranaki Regional Council for review and certification before the first sampling is undertaken. | Receipt of Sampling and Analysis Plan prior to first round of sampling being undertaken. | Yes |
| 16. | The consent holder shall provide to the Council, before 31 August each year, a summary of all data collected and a report detailing compliance with consent conditions over the previous 1 July to 30 June period. | Receipt of satisfactory report by 31 August each year. | Yes |
| 17. | The consent holder shall notify the Chief Executive, Taranaki Regional Council, in writing at least five days prior to the first exercise of this consent. | Notification received by Council. | Yes |
| 18. | No injection permitted after 1 June 2027. | Assessment of injection records and site inspection notices. | N/A |
| | rall assessment of consent compliance and environmental p sent | performance in respect of this | High |
| | rall assessment of administrative performance in respect of | this consent | High |

During the year, the Company demonstrated a high level of environmental and high level of administrative performance with the resource consents as defined in Section 1.1.4.

Historically, the Company has demonstrated a good or high level of environmental performance (summarised in Table 28) with the resource consents as defined in Section 1.1.4.

| Year | Consent number | High | Good | Improvement required | Poor |
|-----------|-------------------|------|------|-------------------------|------|
| | 5312 | 1 | | | |
| | 7390* | | | | |
| | 7466 | 1 | | | |
| 2016-2017 | 7897 | 1 | | | |
| | 9272 | 1 | | | |
| | 9470 | 1 | | | |
| | 9476* | | | | |
| | 5312 | 1 | | | |
| | 7390* | | | | |
| | 7466 | 1 | | | |
| 2015-2016 | 7897 | 1 | | | |
| | 9272 | 1 | | | |
| | 9470 | 1 | | | |
| | 9476* | | | | |
| | 5312 | 1 | | | |
| | 7390* | | | | |
| | 7466 | 1 | | | |
| 2014-2015 | 7897 | 1 | | | |
| | 9272 | 1 | | | |
| | 9470 | 1 | | | |
| | 9476* | | | | |
| 2013-2014 | 5312 | 1 | | | |
| | 7390* | | | | |
| | 7466 | 1 | | | |
| | 7897 | | 1 | | |
| | 9272 | 1 | | | |
| | 9470 | 1 | | | |
| | 9476* | | | | |
| 2012-2013 | 5312 | 1 | | | |
| | 7390 | 1 | | | |
| | 7466 | 1 | | | |
| | 7897* | | | | |
| | 9272 | 1 | | | |
| | 9470 | 1 | | | |
| | 9476* | | | | |

Table 28 Evaluation of environmental performance over time

| Year | Consent number | High | Good | Improvement required | Poor |
|-----------|-------------------|------|------|-------------------------|------|
| | 4921 | 1 | | | |
| | 5312 | 1 | | | |
| 2009-2012 | 7390 | 1 | | | |
| | 7466 | | 1 | | |
| | 7897 | | 1 | | |
| 2007-2009 | 4921 | | 1 | | |
| | 5312 | | 1 | | |
| | 6659* | | | | |
| | 6728* | | | | |
| | 7068* | | | | |
| | 7128* | | | | |
| | 7390 | | 1 | | |
| To | tals | 27 | 6 | 0 | 0 |

Note *= not exercised during reporting period

3.4 Recommendations from the 2016-2017 Annual Report

In the 2016-2017 Annual Report, it was recommended:

- 1. THAT in the first instance the range of monitoring carried out during the 2016-2017 period be continued during the 2017-2018 monitoring period.
- 2. THAT should there be issues with environmental or administrative performance in 2017-2018, monitoring may be adjusted to reflect any additional investigation or intervention as found necessary.
- 3. THAT the Council notes there is no requirement at this time for a consent review to be pursued or grounds to exercise the review options.

The recommendations above were implemented during the period under review.

3.5 Alterations to monitoring programmes for 2018-2019

In designing and implementing the monitoring programmes for air/water discharges in the region, the Council has taken into account:

- the extent of information already made available through monitoring or other means to date;
- its relevance under the RMA;
- the Council's obligations to monitor consented activities and their effects under the RMA;
- the record of administrative and environmental performances of the consent holder; and
- reporting to the regional community.

The Council also takes into account the scope of assessments required at the time of renewal of permits, and the need to maintain a sound understanding of industrial processes within Taranaki exercising resource consents.

It is proposed the range of monitoring carried out during the 2017-2018 period be continued during the 2018-2019 monitoring period. Recommendations to this effect are included in Section 4 of this report.

It should be noted that the proposed programme represents a reasonable and risk-based level of monitoring for the site(s) in question. The Council reserves the right to subsequently adjust the programme from that initially prepared, should the need arise if potential or actual non-compliance is determined at any time during 2018-2019.

3.6 Exercise of optional review of consent

Condition 18 of resource consent 7897-1, and condition 19 of resource consents 9272-2, 9470-1 and 9476-1 provide for an optional review in June 2019. If there are grounds that "the conditions are not adequate to deal with any adverse effects on the environment arising from the exercise of the resource consent, which were either not foreseen at the time the application was considered or which was not appropriate to deal with at the time". Based on the results of monitoring in the year under review, and in previous years as set out in earlier annual compliance monitoring reports, it is considered that there are no grounds that require a review to be pursued or grounds to exercise the review option.

4 Recommendations

- 1. THAT in the first instance, monitoring of consented activities in the 2018-2019 year continue at the same level as in 2017-2018.
- 2. THAT should there be issues with environmental or administrative performance in 2018-2019, monitoring may be adjusted to reflect any additional investigation or intervention as found necessary.
- 3. THAT the option for a review of resource consents in June 2019, as set out in the respective consent conditions not be exercised.

Glossary of common terms and abbreviations

The following abbreviations and terms may be used within this report:

| Aquifer (freshwater) | A formation, or group or part of a formation that contains sufficient saturated permeable media to yield exploitable quantities of fresh water. |
|--------------------------------|--|
| Conductivity | A measure of the level of dissolved salts in a sample. Usually measured at 20°C and expressed as millisiemens per metre (mS/m) or as Total Dissolved Solids (g/ m ³). |
| Confining layer | A geological layer or rock unit that is impermeable to fluids. |
| Deep well injection (DWI) Inje | ection of fluids at depth for disposal or enhanced recovery. |
| Fracture gradient | A measure of how the pressure required to fracture rock in the earth's crust changes with depth. It is usually measured in units of "pounds per square inch per foot" (psi/ft) and varies with the type of rock and the strain of the rock. |
| Freshwater-saline- | |
| water interface | The depth in a well at which fresh water becomes saline. The interface may be a gradational or sharp transition, depending on geology. The FW-SW transition is demonstrated by down-hole geophysical logging. |
| g/m³ | Grams per cubic metre. A measure of concentration which is equivalent to milligrams per litre (mg/L), or parts per million (ppm). |
| Hydraulic fracturing (HF) | The process of increasing reservoir permeability by injecting fluids at pressures sufficient to fracture rock within the reservoir ("fracking"). |
| Injectate | Fluid disposed of by deep well injection. |
| Incident | 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. |
| Intervention | Action/s taken by Council to instruct or direct actions be taken to avoid or reduce the likelihood of an incident occurring. |
| Investigation | Action taken by Council to establish what were the circumstances/events surrounding an incident including any allegations of an incident. |
| IR | 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 provision in a Regional Plan. |
| L/s | Litres per second. |
| m BGL | Metres below ground level. |
| mS/m | Millisiemens per metre. |
| m TVD | Metres true vertical depth |
| m ³ | Cubic metre. |

| рН | Numerical system for measuring acidity in solutions, with 7 as neutral. Values lower than 7 are acidic and higher than 7 are 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. |
|------------------|---|
| Produced water | Water associated with oil and gas reservoirs that is produced along with the oil and gas. Typically highly saline with salt concentrations similar to seawater and containing low levels of hydrocarbons. |
| Resource consent | Refer Section 87 of the RMA. Resource consents 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). |
| UI | Unauthorised incident. |
| Water flooding | A method of thermal recovery in which hot water is injected into a reservoir through specially distributed injection wells. Hot water flooding reduces the viscosity of the crude oil, allowing it to move more easily toward production wells. |

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Appendix I

Resource consents held by Greymouth Petroleum Limited

(For a copy of the signed resource consent please contact the TRC Consents department)

Discharge Permit Pursuant to the Resource Management Act 1991 a resource consent is hereby granted by the Taranaki Regional Council

| Name of Consent Holder: | Greymouth Petroleum Acquisition Company Limited PO Box 3394 New Plymouth 4341 | | |
|--------------------------------|---|--|--|
| Decision Date (Change): | 6 May 2015 | | |
| Commencement Date (Change): | 6 May 2015 | (Granted Date: 24 July 2014) | |
| | | | |
| | Conditions of Co | onsent | |
| Consent Granted: | To discharge groundwater from the Matemateaonga Formation and produced water into the Mount Messenge Formation for improved hydrocarbon recovery purposes the Kaimiro-O wellsite | | |
| Expiry Date: | 1 June 2032 | | |
| Review Date(s): | June 2020, June 2026 | | |
| Site Location: | | Alfred Road, Egmont Village s Trust Nominees Limited) | |
| Legal Description: | Pt Secs 115 & 116 Hua & Waiwhakaiho Hun (Discharge source & site) | | |
| Grid Reference (NZTM) | 1698671E-5663161N | | |
| Catchment: | Waiwhakaiho | | |

General condition

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. By 1 July 2015, the consent holder shall submit an "Injection Operation Management Plan." The plan shall include the operational details of the injection activities and identify the conditions that would trigger concerns about the integrity of the injection well, the receiving formation or overlying geological seals. The plan shall also detail the action(s) to be taken by the consent holder if trigger conditions are reached.
- 2. By 1 July 2015, the consent holder shall provide to the Chief Executive, Taranaki Regional Council:
 - (a) a geological assessment of the environment in which the well is located, including the injection zone, the geological seals confining the injection zone and any associated faulting;
 - (b) details of the injection well design and its structural integrity;
 - (c) an assessment of the suitability of the injection well for the proposed activity;
 - (d) details of how the integrity of the injection well will be monitored and maintained; and
 - (e) a chemical assessment of the receiving formation water which confirms its Total Dissolved Solids (TDS) concentration, and also demonstrates that the mixing of formation and injection fluids will not result in any adverse effects on the receiving formation or the injection well.

(<u>Note</u>: The information required by condition 2 may be included within the "Injection Operation Management Plan" required by condition 1.)

- 3. The injection pressure at the wellhead shall not exceed a maximum injection pressure of 85 bar.
- 4. The rate of injection shall not exceed 41.6 cubic metres per hour.
- 5. The volume of fluid injected shall not exceed 1000 cubic metres per day.
- 6. There shall be no injection of any fluids after 1 June 2027.
- 7. 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.
- 8. The injected fluids shall be confined to the Mount Messenger Formation, deeper than 1,000 metres total vertical depth sub-sea.
- 9. The consent holder shall ensure that the discharge authorised by this consent does not result in the fracturing of the geological seals confining the injection zone.

- 10. The consent holder shall ensure that the exercise of this consent does not result in contaminants reaching any useable fresh water (groundwater or surface water). Useable fresh groundwater is defined as any groundwater having a TDS concentration of less than 1,000 mg/l.
- 11. Once the consent is exercised, the consent holder shall keep daily records of the:
 - (a) injection hours;
 - (b) volume of fluid discharged; and
 - (c) maximum and average injection pressure.
- 12. The consent holder shall have the injection fluid analysed for the following parameters, at intervals not exceeding six months:
 - i. pH;
 - ii. conductivity;
 - iii. chloride concentration;
 - iv. total dissolved solids; and
 - v. suspended solids concentration.
- 13. If the analysis required by condition 12 above is not carried out in an International Accreditation New Zealand (IANZ) accredited laboratory, it shall be undertaken in accordance with a "Quality Assurance (QA) Plan" that has been certified by the Chief Executive, Taranaki Regional Council, as meeting the requirements of condition 12. The Taranaki Regional Council may also, at its discretion, carry out an audit of the consent holder's sampling and analysis regime to assess adherence to the QA plan.
- 14. The consent holder shall undertake a programme of sampling and testing that monitors the effects of the exercise of this consent on fresh water resources within an Area of Review (AoR) to assess compliance with condition 10 (the 'Monitoring Programme'). The Monitoring Programme shall be designed to characterise local groundwater quality, and be submitted to the Chief Executive, Taranaki Regional Council, for certification before 1 January 2015, and shall include:
 - (a) the location of sampling sites;
 - (b) well/bore construction details; and
 - (c) sampling frequency.

The AoR shall extend 1,000 metres from the point of injection. It is a requirement that at least one suitable monitoring bore be located within 500 metres of the well head. If no suitable existing bores are available, it will be necessary for the Monitoring Programme to include installation of, and sampling from, a suitable bore. The bore would be of a depth, location and design determined after consultation with the Chief Executive, Taranaki Regional Council and installed in accordance with NZS 4411:2001.

- 15. All groundwater samples taken for monitoring purposes shall be taken in accordance with recognised field procedures and analysed for:
 - (a) pH;
 - (b) conductivity
 - (c) anion and cation profile
 - (d) total petroleum hydrocarbons; and
 - (e) BTEX.

<u>Note</u>: The samples required, under conditions 15 and 16 could be taken and analysed by the Taranaki Regional Council or other contracted party on behalf of the consent holder.

16. All groundwater sampling and analysis shall be undertaken in accordance with a *Sampling and Analysis Plan*, which shall be submitted to the Chief Executive, Taranaki Regional Council for review and certification before the first sampling is undertaken. This Plan shall specify the use of standard protocols recognised to constitute good professional practice including quality control and assurance. An IANZ accredited laboratory shall be used for all sample analysis. Results shall be provided to the Chief Executive, Taranaki Regional Council within 30 days of sampling and shall include supporting quality control and assurance information.

<u>Note</u>: The Sampling and Analysis Plan may be combined with the Monitoring Programme required by condition 14.

- 17. The consent holder shall provide to the Chief Executive, Taranaki Regional Council, before 30 June each year, all data required by conditions 11 and 12, and a report detailing compliance with consent conditions over the previous 1 July to 30 June period. Based on the data provided, the report shall also provide:
 - a) an assessment of injection well performance;
 - b) an assessment of the on-going integrity and isolation of the wellbore; and
 - c) an assessment of the on-going integrity and isolation of the receiving formation.
- 18. 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 2020 and/or June 2026 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 timeThe consent holder shall ensure that the discharge authorised by this consent does not result in the fracturing of the geological seals confining the injection zone.

Signed at Stratford on 6 May 2015

For and on behalf of Taranaki Regional Council

melez

A D McLay Director - Resource Management

Discharge Permit Pursuant to the Resource Management Act 1991 a resource consent is hereby granted by the Taranaki Regional Council

| Name of | Greymouth Petroleum Limited |
|-----------------|-----------------------------|
| Consent Holder: | P O Box 3394 |
| | NEW PLYMOUTH 4341 |

Consent Granted 10 October 2008 Date:

Conditions of Consent

- Consent Granted: To discharge produced water from hydrocarbon exploration and production operations by deepwell injection at the Turangi-A wellsite (via Turangi-3 well) at or about (NZTM) 1713836E-5681397N
- Expiry Date: 1 June 2027
- Review Date(s): June 2009, June 2011, June 2015, June 2021 and month following receipt of information required under special condition 6
- Site Location: Turangi-A wellsite, Upper Turangi Road, Waitara [Property owner: BA & JM McKenzie]
- Legal Description: Sec 21 Blk VI Waitara SD
- Catchment: Parahaki

General conditions

- a) On receipt of a requirement from the Chief Executive, Taranaki Regional Council the consent holder shall, within the time specified in the requirement, supply the information required relating to the exercise of this consent.
- b) Unless it is otherwise specified in the conditions of this consent, compliance with any monitoring requirement imposed by this consent must be at the consent holder's own expense.
- c) The consent holder shall pay to the Council all required administrative charges fixed by the Council pursuant to section 36 in relation to:
 - i) the administration, monitoring and supervision of this consent; and
 - ii) charges authorised by regulations.

Special conditions

- 1. The injection pressure at the wellhead shall not exceed a maximum injection pressure of 55 bars (800 PSI).
- 2. The volume of liquid re-injected shall not exceed 300 cubic metres per day.
- 3. The consent holder shall keep daily records of:
 - a) Maximum and average injection pressure;
 - b) Maximum and average rate of injection; and
 - c) Volume of fluid injected.
- 4. The consent holder shall measure and record the following constituents of the discharge:
 - a) Ph;
 - b) Suspended Solids concentration;
 - c) Temperature;
 - d) Salinity;
 - e) Chloride concentration; and
 - f) Total hydrocarbon concentration.

These constituents shall be measured at time intervals sufficiently frequent to yield data representative of the injected fluid in the opinion of the Chief Executive of the Taranaki Regional Council.

5. The Consent holder shall report to the Taranaki Regional Council's Chief Executive, during the month of May of every year, a monthly summary of all records collected in accordance with conditions 3 and 4. The report shall cover details on the major changes in characteristics or sources of injected fluid.

Consent 7390-1

- 6. Before the well is used for deepwell injection the consent holder shall submit an "Injection Operation Management Plan" which describes the reinjection process and identifies the conditions that would trigger concerns about the integrity of the well, or the injection zone, and the action to be taken by the consent holder if trigger conditions are reached.
- 7. The consent holder shall ensure that the exercise of this consent not contaminate or put at risk actual or potential usable freshwater aquifer.
- 8. This consent shall lapse on the expiry of five years after the date of commencement of this consent, 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(b) of the Resource Management Act 1991.
- 9. 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 following receipt of information required under special condition 6 above, and the month of June 2009 and/or June 2011 and/or June 2015 and/or June 2021 required 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 10 October 2008

For and on behalf of Taranaki Regional Council

Director-Resource Management

Discharge Permit Pursuant to the Resource Management Act 1991 a resource consent is hereby granted by the Taranaki Regional Council

| Name of Consent Holder: | Petrochem Limited P O Box 3394 NEW PLYMOUTH 4341 | |
|--------------------------------|--|-----------------------|
| Decision Date (Change): | 3 February 2014 | |
| Commencement Date (Change): | 3 February 2014 | (Granted: 1 May 2009) |

Conditions of Consent

- Consent Granted: To discharge produced water from hydrocarbon exploration and production operations by deep well injection at the Kowhai wellsite (via Kowhai-2 well)
- Expiry Date: 1 June 2027

Review Date(s): June 2015, June 2021 and within one month following the receipt of information required under special condition 8

- Site Location: Kowhai-A wellsite, Ngatimaru Road, Tikorangi (Property owners: RN & BJ Jupp)
- Legal Description: Pt Sec 44 Tikorangi Dist Blks IX & X Waitara SD (Discharge source & site)
- Grid Reference (NZTM) 1710931E-5676289N
- Catchment: Waiau

General conditions

- a) On receipt of a re.quirement from the Chief Executive, Taranaki Regional Council the consent holder shall, within the time specified in the requirement, supply the information required relating to the exercise of this consent.
- b) Unless it is otherwise specified in the conditions of this consent, compliance with any monitoring requirement imposed by this consent must be at the consent holder's own expense.
- c) The consent holder shall pay to the Council all required administrative charges fixed by the Council pursuant to section 36 in relation to:
 - i) the administration, monitoring and supervision of this consent; and
 - ii) charges authorised by regulations.

Special conditions

- 1. Upon completion of well the following information shall be provided to the Chief Executive of the Taranaki Regional Council:
 - a) Subsurface construction details, including design of the exterior surface casing, the intermediate protective casing, and the innermost casing, tubing, and packer;
 - b) Borelog of the well from 0.0 mbgl to 500 metres below ground level;
 - c) Annular pressure; and
 - d) Cementing details
- 2. The injection pressure at the wellhead shall not exceed a maximum injection pressure of 1,352 pounds per square inch (92 Bar).
- 3. The volume of liquid re-injected shall not exceed 916 cubic metres per day.
- 4. The rate of injection shall not exceed 4 barrels per minute (38 cubic metres per hour).
- 5. The fluids shall be injected into the Mount Messenger Formation at a minimum depth of 970 metres below ground level (true vertical depth).
- 6. The consent holder shall keep daily records of:
 - a) Maximum and average injection pressure;
 - b) Maximum and average rate of injection; and
 - c) Volume of fluid injected.
- 7. The consent holder shall measure and record the following constituents of the discharge:
 - a) pH;
 - b) Suspended Solids concentration;
 - c) Temperature;
 - d) Salinity;
 - e) Chloride concentration; and
 - f) Total hydrocarbon concentration.

These constituents shall be measured at time intervals sufficiently frequent to yield data representative of the injected fluid in the opinion of the Chief Executive of the Taranaki Regional Council.

- 8. The consent holder shall report to the Taranaki Regional Council's Chief Executive, during the month of May of every year, a monthly summary of all records collected in accordance with conditions 6 and 7. The report shall cover details on the major changes in characteristics or sources of injected fluid.
- 9. The consent holder shall notify the Chief Executive, Taranaki Regional Council, in writing at least 5 working days prior to the exercise of this consent. Notification shall include the consent number and a brief description of the activity consented and be emailed to <u>worknotification@trc.govt.nz</u>. Notification by fax or post is acceptable only if the consent holder does not have access to email.
- 10. Before the well is used for deepwell injection the consent holder shall submit an "Injection Operation Management Plan" which describes the reinjection process and identifies the conditions that would trigger concerns about the integrity of the well, or the injection zone, and the action to be taken by the consent holder if trigger conditions are reached.
- 11. The consent holder shall ensure that the exercise of this consent not contaminate or put at risk actual or potential usable freshwater aquifer.
- 12. This consent shall lapse on the 30th June 2014, 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(b) of the Resource Management Act 1991.
- 13. 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 following receipt of information required under special condition 8 above, and the month of June 2015 and/or June 2021, 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 3 February 2014

For and on behalf of Taranaki Regional Council

Director-Resource Management

Discharge Permit Pursuant to the Resource Management Act 1991 a resource consent is hereby granted by the Taranaki Regional Council

| Name of Consent Holder: | Greymouth Petroleum Limited P O Box 3394 NEW PLYMOUTH 4341 | |
|--------------------------------|--|------------------------------|
| Decision Date (Change): | 19 July 2013 | |
| Commencement Date (Change): | 19 July 2013 | (Granted: 12 September 2011) |

Conditions of Consent

| Consent Granted: | To discharge the following from hydrocarbon exploration operations at the Kaimiro-J wellsite by deepwell injection into the Mount Messenger formation: produced water; well drilling fluids; well workovers fluids; hydraulic fracturing fluids; and 'off-spec' stormwater from the consent holder's wellsites |
|-----------------------|---|
| Expiry Date: | 1 June 2026 |
| Review Date(s): | June annually |
| Site Location: | Kaimiro-J wellsite, 1140 Junction Road, Inglewood (Property owner: BJ & SM Duynhoven) |
| Legal Description: | Lot 1 DP 19651 (Discharge source & site) |
| Grid Reference (NZTM) | 1699274E-5664725N |
| Catchment: | Waiongana |
| Tributary: | Mangaoraka |

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

Page 1 of 4

General condition

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. Before this consent is exercised the consent holder shall submit an "Injection Operation Management Plan" which describes the reinjection process and identifies the conditions that would trigger concerns about the integrity of the well, or the injection zone, and the action to be taken by the consent holder if trigger conditions are reached.
- 2. Before this consent is exercised the consent holder shall provide to the Chief Executive of the Taranaki Regional Council:
 - (a) Subsurface construction details, including design of the exterior surface casing, the intermediate protective casing, and the innermost casing, tubing, and packer;
 - (b) A log of the well from 0.0 metres below ground level to 1,000 metres below ground level; clearly showing the freshwater/brine water interface zone;
 - (c) Annular pressure; pressure testing which demonstrates well integrity [Mechanical Integrity Test];
 - (d) Receiving Formation fracture pressure and geological seal fracture pressure;
 - (e) A chemical analysis of the formation-water;
 - (f) Cementing details.
- 3. The injection pressure at the wellhead shall not exceed a maximum injection pressure of 1669 psi (115 bar).
- 4. The rate of injection shall not exceed 29 cubic metres per hour (3 bpm).
- 5. The volume of fluid injected shall not exceed 687 cubic metres per day (4,320 bpd).
- 6. The injection of fluids shall be confined to the Mt. Messenger Formation, deeper than 1,320 metres true vertical depth.
- 7. 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; in particular, ensuring that the injection material is contained within the injection zone.
- 8. The consent holder shall keep daily records of the:
 - (a) maximum injection pressure;
 - (b) maximum and average rate of injection; and
 - (c) volume of fluid injected;

during exercise of this consent.

- 9. For each waste stream arriving on site for discharge, the consent holder shall record the following information:
 - (a) type of fluid;
 - (b) source of fluid (site name and location);
 - (c) an analysis of the fluid for:
 - (i) pH;
 - (ii) suspended solids concentration;
 - (iii) temperature;
 - (iv) salinity;
 - (v) chloride concentration; and
 - (vi) total hydrocarbon concentration.

The analysis required by condition 9 above is not necessary if a sample of the same type of fluid, from the same source, has been taken, analysed and provided to the Chief Executive, Taranaki Regional Council within the previous 6 months.

- 10. The information required by conditions 8 and 9 above, for each calendar month, shall be provided to the Chief Executive, Taranaki Regional Council before the 15th day of the following month.
- 11. The consent holder shall notify the Chief Executive, Taranaki Regional Council, in writing at least 5 working days prior to the first exercise of this consent. Notification shall include the consent number and a brief description of the activity consented and be emailed to worknotification@trc.govt.nz.
- 12. The consent holder shall ensure that the exercise of this consent does not result in contaminants reaching any useable fresh water (groundwater or surface water). Usable fresh groundwater is defined as any groundwater having a Total Dissolved Solids concentration of less than 1,000 mg/l.
- 13. The consent holder shall undertake a programme of sampling and testing that monitors the effects of the exercise of this consent on fresh water resources to assess compliance with condition 12 (the 'Monitoring Programme'). The Monitoring Programme shall be certified by the Chief Executive, Taranaki Regional Council ('the Chief Executive'), before 30 June 2013, and shall include:
 - (a) the location of sampling sites;
 - (b) well/bore construction details; and
 - (c) sampling frequency.
- 14. All water samples taken for monitoring purposes shall be taken in accordance with recognised field procedures and analysed for:
 - (a) pH;
 - (b) conductivity;
 - (c) chloride; and
 - (d) total petroleum hydrocarbons.
 - <u>Note</u>: The samples required, under conditions 13 and 14, could be taken and analysed by the Council or other contracted party on behalf of the consent holder.

Consent 7897-1

15. All sampling and analysis shall be undertaken in accordance with a *Sampling and Analysis Plan,* which shall be submitted to the Chief Executive for review and certification before the first sampling is undertaken. This plan shall specify the use of standard protocols recognised to constitute good professional practice including quality control and assurance. An International Accreditation New Zealand (IANZ) accredited laboratory shall be used for all sample analysis. Results shall be provided to the Chief Executive within 30 days of sampling and shall include supporting quality control and assurance information. These results will be used to assess compliance with condition 12.

<u>Note</u>: The Sampling and Analysis Plan may be combined with the Monitoring Programme required by condition 13.

- 16. The consent holder shall provide to Taranaki Regional Council, during the month of July of every year, a summary of all data collected and a report detailing compliance with consent conditions over the previous 1 July to 30 June period. The report shall also provide and assess data which illustrates the on-going integrity and isolation of the wellbore, well performance and condition. The consent holder shall also provide an updated injection modeling report, illustrating the ability of the receiving formation to continue to accept additional waste fluids and estimating its remaining storage capacity.
- 17. This consent shall lapse on the 30 September 2016, 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(b) of the Resource Management Act 1991.
- 18. 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 annually during the month of June, 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 19 July 2013

For and on behalf of Taranaki Regional Council

Director-Resource Management

Discharge Permit Pursuant to the Resource Management Act 1991 a resource consent is hereby granted by the Taranaki Regional Council

| Name of Consent Holder: | Greymouth Petroleum Turangi Limited PO Box 3394 Fitzroy New Plymouth 4341 |
|----------------------------|--|
| Decision Date: | 2 June 2016 |

Commencement Date: 2 June 2016

Conditions of Consent

- Consent Granted: To discharge produced water, well drilling fluids, well workover fluids and contaminated stormwater into the Mount Messenger Formation by deepwell injection
- Expiry Date: 1 June 2036
- Review Date(s): June annually
- Site Location: Turangi-A wellsite, 160 Turangi Road Upper, Motunui (Property owner: BA & JM McKenzie)
- Grid Reference (NZTM) 1713836E-5681373N
- Catchment: Parahaki

General condition

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. This consent only authorises discharges via deepwell injection into:
 - (a) the well known as Turangi-5 located at the Turangi-A wellsite; or
 - (b) another well located on the Turangi-A wellsite.
- 2. The discharge shall be undertaken in accordance with an "Injection Operation Management Plan" prepared by the consent holder and approved by the Chief Executive, Taranaki Regional Council, acting in a certification capacity. The plan shall include, as a minimum, details of:
 - (a) the operational details of the injection activities;
 - (b) identification of the conditions that would trigger concerns about the integrity of the injection well, the receiving formation or overlying geological seals; and
 - (c) the action(s) to be taken by the consent holder if trigger conditions are reached.
- 3. Before discharging to any well, the consent holder shall provide to the Chief Executive, Taranaki Regional Council:
 - (a) a geological assessment of the environment in which the well is located, including the injection zone, the geological seals confining the injection zone and any associated faulting;
 - (b) details of the well design and its structural integrity;
 - (c) an assessment of the suitability of the well for the proposed activity;
 - (d) details of how the integrity of the well will be monitored and maintained;
 - (e) confirmation of the depth to which fresh water resources, as defined in condition 9, are encountered below the site; and
 - (f) a chemical assessment of the receiving formation water which confirms its Total Dissolved Solids (TDS) concentration, and also demonstrates that the mixing of formation and injection fluids will not result in any adverse effects on the receiving formation or the injection well.

(Note: The information required by condition 3 may be included within the "Injection Operation Management Plan" required by condition 2).

- 4. There shall be no injection of any fluids after 1 June 2031.
- 5. 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.
- 6. The injection of fluids shall be confined to the Mount Messenger Formation, and be injected below a minimum depth of 1,200 metres true vertical depth below ground level.

- 7. The injection pressure at the wellhead shall not exceed 1610 psi (111 bar). If exceeded, the injection operation shall cease immediately and the Chief Executive, Taranaki Regional Council informed immediately.
- 8. The consent holder shall ensure that the discharge authorised by this consent does not result in the fracturing of the geological seals confining the injection zone.
- 9. The consent holder shall ensure that the exercise of this consent does not result in contaminants reaching any useable fresh water (groundwater or surface water). Useable fresh groundwater is defined as any groundwater having a TDS concentration of less than 1,000 mg/L.
- 10. Only the following types of fluid may be discharged:
 - (a) produced water;
 - (b) well workover fluids;
 - (c) well drilling fluids; and
 - (d) contaminated stormwater.
- 11. From the date of the first discharge the consent holder shall keep a record of the:
 - (a) hours of injection each day;
 - (b) volume of fluid discharged each day; and
 - (c) maximum and average injection pressure each day.
- 12. For each waste stream arriving on site for discharge, the consent holder shall characterise the fluids by recording the following information:
 - (a) type of fluid (as listed in condition 10);
 - (b) source of fluid (site name and company);
 - (c) an analysis of a representative sample of the fluid for:
 - (i) pH;
 - (ii) conductivity;
 - (iii) suspended solids concentration;
 - (iv) temperature;
 - (v) salinity;
 - (vi) chloride concentration; and
 - (vii) total hydrocarbon concentration.

The analysis required by condition 12(c) above is not necessary if a sample of the same type of fluid, from the same source, has been taken, analysed and provided to the Chief Executive, Taranaki Regional Council within the previous 6 months.

- 13. If the analyses required by the condition 12(c) above is not carried out in an International Accreditation New Zealand accredited laboratory, it shall be undertaken in accordance with a "Quality Assurance (QA) Plan" that has been certified by the Chief Executive, Taranaki Regional Council, as meeting the requirements of conditions. The Council may also, at its discretion, carry out an audit of the consent holder's sampling and analysis regime to assess adherence to the QA plan.
- 14. The information required by conditions 11 and 12 above, for each calendar month, shall be provided to the Chief Executive, Taranaki Regional Council before the 28th day of the following month.

- 15. The consent holder shall undertake a programme of sampling and testing that monitors the effects of the exercise of this consent on fresh water resources within an Area of Review (AoR) to assess compliance with condition 9 (the 'Monitoring Programme'). The Monitoring Programme shall be designed to characterise local groundwater quality, and be submitted to the Chief Executive, Taranaki Regional Council, for certification before the exercising of this consent, and shall include:
 - (a) the location of sampling sites;
 - (b) well/bore construction details; and
 - (c) sampling frequency.

The AoR shall extend 1,000 metres from the point of injection. It is a requirement that at least one suitable monitoring bore be located within 500 metres of the well head. If no suitable existing bores are available, it will be necessary for the Monitoring Programme to include installation of, and sampling from, a suitable bore. The bore would be of a depth, location and design determined after consultation with the Chief Executive, Taranaki Regional Council and installed in accordance with NZS 4411:2001. The bore shall be completed no later than 6 months after granting this consent.

- 16. All groundwater samples taken for monitoring purposes shall be taken in accordance with recognised field procedures and analysed for:
 - (a) pH;
 - (b) conductivity;
 - (c) chloride; and
 - (d) total petroleum hydrocarbons.

<u>Note</u>: The samples required, under conditions 15 and 16, could be taken and analysed by the Taranaki Regional Council or other contracted party on behalf of the consent holder.

17. All groundwater sampling and analysis shall be undertaken in accordance with a *Sampling and Analysis Plan*, which shall be submitted to the Chief Executive, Taranaki Regional Council for review and certification before the first sampling is undertaken. This Plan shall specify the use of standard protocols recognised to constitute good professional practice including quality control and assurance. An IANZ accredited laboratory shall be used for all sample analysis. Results shall be provided to the Chief Executive, Taranaki Regional Council within 30 days of sampling and shall include supporting quality control and assurance information.

<u>Note</u>: The Sampling and Analysis Plan may be combined with the Monitoring Programme required by condition 15.

- 18. The consent holder shall provide to the Chief Executive, Taranaki Regional Council, before 31 August each year, a summary of all data collected and a report detailing compliance with consent conditions over the previous 1 July to 30 June period. Based on the data provided, the report shall also provide:
 - a) an assessment of injection well performance;
 - b) an assessment of the on-going integrity and isolation of the wellbore;
 - c) an assessment of the on-going integrity and isolation of the receiving formation; and
 - d) an updated injection modeling report, demonstrating the ability of the receiving formation to continue to accept additional waste fluids and an estimation of remaining storage capacity.

Consent 9272-2.0

19. 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 each year, 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 2 June 2016

For and on behalf of Taranaki Regional Council

A D McLay Director - Resource Management

Discharge Permit Pursuant to the Resource Management Act 1991 a resource consent is hereby granted by the Taranaki Regional Council

| Name of Consent Holder: | Greymouth Petroleum Limited P O Box 3394 NEW PLYMOUTH 4341 |
|----------------------------|--|
| Decision Date: | 4 February 2013 |

Commencement 4 February 2013 Date:

Conditions of Consent

- Consent Granted: To discharge produced water, well drilling fluids, well workover fluids into the Mount Messenger Formation by deepwell injection via the Kaimiro-G wellsite at or about (NZTM) 1699622E-5663210N
- Expiry Date: 1 June 2032
- Review Date(s): June annually
- Site Location: Kaimiro-G wellsite, 1240 Upland Road, Kaimiro (Property owner: NJ & LS Seconi)
- Legal Description: Sec 138 Tarurutangi Dist (Discharge source & site)
- Catchment: Waiongana
- Tributary: Mangaoraka

General condition

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. Before this consent is exercised, the consent holder shall submit an "Injection Operation Management Plan" which shall include the operational details of the injection activities and identify the conditions that would trigger concerns about the integrity of the injection well, injection zone or overlying geological formations. The plan will also detail the action(s) to be taken by the consent holder if trigger conditions are reached.
- 2. Before this consent is exercised the consent holder shall provide to the Chief Executive of the Taranaki Regional Council:
 - (a) a final well completion log for the injection well including subsurface construction details, design of the exterior surface casing, the intermediate protective casing, and the innermost casing, tubing, and/or packer(s);
 - (b) well cementing details, cement bond log and results of annular pressure testing which demonstrates well integrity;
 - (c) details of on-going well integrity monitoring, well maintenance procedures and safe operating limits for the well;
 - (d) a detailed geological log of the well;
 - (e) details and results of the Formation Integrity Testing carried out on the receiving formation and confining layers and an assessment of the results against the estimated modelled values submitted in the consent application 7032;
 - (f) results of an electrical resistivity survey, clearly showing the confirmed depth of freshwater as defined in condition 11; and
 - (g) a full chemical analysis of the receiving formation-water.

(<u>Note</u>: These details can be included within the "Injection Operation Management Plan.")

- 3. The injection pressure at the wellhead shall not exceed 1,077 psi (73 bars). If exceeded, the injection operation shall be ceased immediately and the Chief Executive of the Taranaki Regional Council informed immediately.
- 4. The rate of injection shall not exceed 8.6 cubic metres per hour (0.9 bpm)
- 5. The volume of fluid injected shall not exceed 206 cubic metres per day (1,296 bpd).
- 6. The injection of fluids shall be confined to the Mt. Messenger Formation, deeper than -995 metres True Vertical Depth Sub-sea.
- 7. 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; in particular, ensuring that the injection material is contained within the injection zone.

- 8. Only the fluids listed below and originating from the consent holder's operations may be discharged:
 - (a) produced water;
 - (b) well drilling fluids;
 - (c) well workover fluids, including hydraulic fracturing return fluids; and
 - (d) contaminated stormwater.
- 9. Once the consent is exercised, the consent holder shall keep daily records of the:
 - (a) total injection hours;
 - (b) volume of fluid injected;
 - (c) maximum and average rate of injection; and
 - (d) maximum and average injection pressure.
- 10. For each waste stream arriving on site for discharge, the consent holder shall record the following information:
 - (a) type of fluid;
 - (b) source of fluid (site name and location);
 - (c) an analysis of the fluid for:
 - (i) pH;
 - (ii) suspended solids concentration;
 - (iii) temperature;
 - (iv) salinity;
 - (v) chloride concentration; and
 - (vi) total hydrocarbon concentration.

The analysis required by condition 10(c) above is not necessary if a sample of the same type of fluid, from the same source, has been taken, analysed and provided to the Chief Executive, Taranaki Regional Council within the previous 6 months.

- 11. The information required by conditions 9 and 10 above, for each calendar month, shall be provided to the Chief Executive, Taranaki Regional Council before the 15th day of the following month.
- 12. The consent holder shall ensure that the exercise of this consent does not result in contaminants reaching any useable fresh water (groundwater or surface water). Usable fresh groundwater is defined as any groundwater having a Total Dissolved Solids concentration of less than 1000 mg/l.
- 13. The consent holder shall undertake a programme of sampling and testing that monitors the effects of the exercise of this consent on fresh water resources to assess compliance with condition 12 (the 'Monitoring Programme'). The Monitoring Programme shall be certified by the Chief Executive, Taranaki Regional Council ('the Chief Executive'), before this consent is exercised, and shall include:
 - (a) the location of sampling sites;
 - (b) well/bore construction details; and
 - (c) sampling frequency.

- 14. All water samples taken for monitoring purposes shall be taken in accordance with recognised field procedures and analysed for:
 - (a) pH;
 - (b) conductivity;
 - (c) chloride; and
 - (d) total petroleum hydrocarbons.

<u>Note</u>: The samples required, under conditions 13 and 14, could be taken and analysed by the Council or other contracted party on behalf of the consent holder.

15. All sampling and analysis shall be undertaken in accordance with a *Sampling and Analysis Plan,* which shall be submitted to the Chief Executive for review and certification before the first sampling is undertaken. This plan shall specify the use of standard protocols recognised to constitute good professional practice including quality control and assurance. An International Accreditation New Zealand (IANZ) accredited laboratory shall be used for all sample analysis. Results shall be provided to the Chief Executive within 30 days of sampling and shall include supporting quality control and assurance information. These results will be used to assess compliance with condition 12.

<u>Note</u>: The Sampling and Analysis Plan may be combined with the Monitoring Programme required by condition 13.

- 16. The consent holder shall provide to Taranaki Regional Council, during the month of July of every year, a summary of all data collected and a report detailing compliance with consent conditions over the previous 1 July to 30 June period. The report shall also provide and assess data which illustrates the on-going integrity and isolation of the wellbore, well performance and condition. The consent holder shall also provide an updated injection modeling report, illustrating the ability of the receiving formation to continue to accept additional waste fluids and estimating its remaining storage capacity.
- 17. The consent holder shall notify the Chief Executive, Taranaki Regional Council, in writing at least 5 days prior to the first exercise of this consent. Notification shall include the consent number and a brief description of the activity consented and be emailed to <u>worknotification@trc.govt.nz</u>.
- 18. There shall be no fluids discharged under this consent after 1 June 2027.
- 19. 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 each year, 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 4 February 2013

For and on behalf of Taranaki Regional Council

Discharge Permit Pursuant to the Resource Management Act 1991 a resource consent is hereby granted by the Taranaki Regional Council

| Name of | Greymouth Petroleum Limited |
|-----------------|-----------------------------|
| Consent Holder: | P O Box 3394 |
| | NEW PLYMOUTH 4341 |

- Decision Date: 28 February 2013
- Commencement Date: 28 February 2013

Conditions of Consent

- Consent Granted: To discharge produced water, well drilling fluids, well workover fluids including hydraulic fracturing fluids, and contaminated stormwater from hydrocarbon exploration operations into the Mount Messenger Formation by deepwell injection via the Kowhai-C waste disposal well
- Expiry Date: 1 June 2027
- Review Date(s): June annually
- Site Location: Kowhai-C wellsite, 492 Otaraoa Road, Tikorangi [Property owner: K & L Hunter]
- Legal Description: Lot 2 DP 6166 Blk VI Waitara SD [discharge site]
- Grid Reference (NZTM) 1711746E-5678303N

Catchment: Waiau

General condition

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. Before this consent is exercised, the consent holder shall submit an "Injection Operation Management Plan" which shall include the operational details of the injection activities and identify the conditions that would trigger concerns about the integrity of the injection well, injection zone or overlying geological formations. The plan will also detail the action(s) to be taken by the consent holder if trigger conditions are reached.
- 2. Before this consent is exercised the consent holder shall provide to the Chief Executive of the Taranaki Regional Council:
 - (a) A final well completion log for the injection well including subsurface construction details, design of the exterior surface casing, the intermediate protective casing, and the innermost casing, tubing, and/or packer(s);
 - (b) Well cementing details, cement bond log and results of annular pressure testing which demonstrates well integrity;
 - (c) Details of on-going well integrity monitoring, well maintenance procedures and safe operating limits for the well;
 - (d) A detailed geological log of the well;
 - (e) Details and results of the Formation Integrity Testing carried out on the receiving formation and confining layers and an assessment of the results against the estimated modelled values submitted in the consent application;
 - (f) Results of an electrical resistivity survey, clearly showing the confirmed depth of freshwater as defined in condition 11; and
 - (g) A full chemical analysis of the receiving formation-water.

(<u>Note</u>: These details can be included within the "Injection Operation Management Plan.")

- 3. The injection pressure at the wellhead shall not exceed 1685 psi (115 bars). If exceeded, the injection operation shall be ceased immediately and the Chief Executive of the Taranaki Regional Council informed immediately.
- 4. The rate of injection shall not exceed 0.48 m3/min (3.0 bpm).
- 5. The volume of fluid injected shall not exceed 687 m3/day (or 4320 bpd).
- 6. The injection of fluids shall be confined to the Mt. Messenger Formation, deeper than 1,350 metres Total Vertical Depth.

- 7. 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; in particular, ensuring that the injection material is contained within the injection zone.
- 8. Only the fluids listed below and originating from the consent holder's operations may be discharged:
 - (a) Produced water;
 - (b) Well drilling fluids;
 - (c) Well workover fluids, including hydraulic fracturing return fluids; and
 - (d) Contaminated stormwater.
- 9. Once the consent is exercised, the consent holder shall keep daily records of the:
 - (a) total injection hours;
 - (b) volume of fluid injected;
 - (c) maximum and average rate of injection; and
 - (d) maximum and average injection pressure.
- 10. For each waste stream arriving on site for discharge, the consent holder shall record the following information:
 - (a) type of fluid;
 - (b) source of fluid (site name and location);
 - (c) an analysis of the fluid for:
 - (i) pH;
 - (ii) suspended solids concentration;
 - (iii) temperature;
 - (iv) salinity;
 - (v) chloride concentration; and
 - (vi) total hydrocarbon concentration

The analysis required by condition 10(c) above is not necessary if a sample of the same type of fluid, from the same source, has been taken, analysed and provided to the Chief Executive, Taranaki Regional Council within the previous 6 months.

- 11. The information required by conditions 9 and 10 above, for each calendar month, shall be provided to the Chief Executive, Taranaki Regional Council before the 15th day of the following month.
- The consent holder shall ensure that the exercise of this consent does not result in contaminants reaching any useable fresh water (groundwater or surface water).
 Useable fresh groundwater is defined as any groundwater having a Total Dissolved Solids concentration of less than 1000 mg/l.

Consent 9476-1

- 13. The consent holder shall undertake a programme of sampling and testing that monitors the effects of the exercise of this consent on fresh water resources to assess compliance with condition 12 (the 'Monitoring Programme'). The Monitoring Programme shall be certified by the Chief Executive, Taranaki Regional Council ('the Chief Executive'), before this consent is exercised, and shall include:
 - (a) the location of sampling sites;
 - (b) well/bore construction details; and
 - (c) sampling frequency.
- 14. All water samples taken for monitoring purposes shall be taken in accordance with recognised field procedures and analysed for:
 - (a) pH;
 - (b) conductivity;
 - (c) chloride; and
 - (d) total petroleum hydrocarbons.

<u>Note</u>: The samples required, under conditions 13 and 14, could be taken and analysed by the Council or other contracted party on behalf of the consent holder.

15. All sampling and analysis shall be undertaken in accordance with a *Sampling and Analysis Plan*, which shall be submitted to the Chief Executive for review and certification before the first sampling is undertaken. This plan shall specify the use of standard protocols recognised to constitute good professional practice including quality control and assurance. An International Accreditation New Zealand (IANZ) accredited laboratory shall be used for all sample analysis. Results shall be provided to the Chief Executive within 30 days of sampling and shall include supporting quality control and assurance information. These results will be used to assess compliance with condition 12.

<u>Note</u>: The Sampling and Analysis Plan may be combined with the Monitoring Programme required by condition 13.

- 16. The consent holder shall provide to Taranaki Regional Council, during the month of July of every year, a summary of all data collected and a report detailing compliance with consent conditions over the previous 1 July to 30 June period. The report shall also provide and assess data which illustrates the on-going integrity and isolation of the wellbore, well performance and condition. The consent holder shall also provide an updated injection modeling report, illustrating the ability of the receiving formation to continue to accept additional waste fluids and estimating its remaining storage capacity.
- 17. The consent holder shall notify the Chief Executive, Taranaki Regional Council, in writing at least 5 days prior to the first exercise of this consent. Notification shall include the consent number and a brief description of the activity consented and be emailed to <u>worknotification@trc.govt.nz</u>.
- 18. There shall be no fluids discharged under this consent after 1 June 2022.

Consent 9476-1

19. 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 each year, 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 28 February 2013

For and on behalf of Taranaki Regional Council

Director-Resource Management