

s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Friday, 6 April 2018 1:55 PM  
**To:** Josh Adams; s 9(2)(a)  
**Cc:** s 9(2)(a)  
**Subject:** RE: Contact details (UNCLASSIFIED)

Thanks Josh, will do.

**From:** Josh Adams [mailto:Josh.Adams@mbie.govt.nz]  
**Sent:** Friday, 6 April 2018 1:51 PM  
**To:** s 9(2)(a) @parliament.govt.nz; s 9(2)(a) @parliament.govt.nz  
**Cc:** s 9(2)(a) @parliament.govt.nz  
**Subject:** FW: Contact details (UNCLASSIFIED)

s 9(2)(a)

Just to follow up on s 9(2)(a)'s note below.

I've got a very broad commercial and technical/regulatory background across the oil and gas sector supply chain i.e. exploration through to marketing/selling and transporting oil and gas, and I know the industry participants and their commercial behaviours/arrangements very well.

Feel free to call if you have any queries or questions – more than happy to answer questions or provide a view.

Best regards,  
Josh

**From:** s 9(2)(a) @parliament.govt.nz  
**Sent:** Friday, 6 April 2018 1:30 PM  
**To:** s 9(2)(a) @parliament.govt.nz; s 9(2)(a) @parliament.govt.nz  
**Cc:** James Stevenson-Wallace <James.Stevenson-Wallace@mbie.govt.nz>; Tim Townsend <Tim.Townsend@mbie.govt.nz>; Josh Adams <Josh.Adams@mbie.govt.nz>; David Darby <David.Darby@mbie.govt.nz>; s 9(2)(a) @mbie.govt.nz; Marcos Pelenur <Marcos.Pelenur@mbie.govt.nz>; s 9(2)(a) @mbie.govt.nz  
**Subject:** Contact details

Hi s 9(2)(a)

Please find managers contact details below, please feel free to call them directly with any questions you may have:

- James Stevenson-Wallace (GM) s 9(2)(a)
- Tim Townsend – (Sector Development Policy Manager) – any iwi/regional engagement questions: s 9(2)(a)
- Josh Adams (National Manager Petroleum) – any operations questions: s 9(2)(a)
- Dave Darby (Manager Commercial, Analysis, Investment – any commercial questions: s 9(2)(a)
- (Until Wednesday) s 9(2)(a) (Acting Resource Policy Manager) – any policy questions: s 9(2)(a)

- (Wednesday onwards) Marcos Pelenur (Resource Policy Manager) – any policy questions: s 9(2)(a)
- s 9(2)(a)

Cheers  
s 9(2)(a)

s 9(2)(a)

Private Secretary (Energy & Resources) | Office of Hon Dr Megan Woods | Minister of Energy and Resources  
6.1 Executive Wing | Parliament Buildings | Wellington | New Zealand  
s 9(2)(a) @parliament.govt.nz

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s 9(2)(a)

**From:** Mike Munro  
**Sent:** Monday, 9 April 2018 12:32 PM  
**To:** s 9(2)(a)  
**Subject:** FW: Block offer speech  
**Attachments:** Block offer speech 7 April.docx

FYI.

Shane is attending, which is good.

s 9(2)(f)(iv)

Over to you s 9(2)(a)

Mike

**From:** s 9(2)(a)  
**Sent:** Monday, 9 April 2018 12:03 PM  
**To:** Mike Munro s 9(2)(a) <s 9(2)(a)@parliament.govt.nz>  
**Subject:** FW: Block offer speech

One change. Shane will now accompany the PM and Fletcher will do Shane's speech to the ANZ, so you'll need to swap back to welcoming Minister Jones.

s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Monday, 9 April 2018 11:38 AM  
**To:** Mike Munro s 9(2)(a) <s 9(2)(a)@parliament.govt.nz>  
**Subject:** RE: Block offer speech

Hi Mike --

s 9(2)(f)(iv)

**From:** Mike Munro  
**Sent:** Sunday, 8 April 2018 3:36 PM  
**To:** Jon Johansson s 9(2)(a) <s 9(2)(a)@parliament.govt.nz>  
**Subject:** FW: Block offer speech

Hi Jon

Find attached the draft of Thursday's proposed block offer announcement.

Cheers  
Mike

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([www.blackberry.com](http://www.blackberry.com))

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s 9(2)(a)

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**To:** Mike Munro; s 9(2)(a)  
**Cc:** s 9(2)(a)  
**Subject:** RE: Block offer speech

Excellent news, thanks Mike.

Noho ora mai, s 9(2)(a)

s 9(2)(a) Senior Press Secretary  
s 9(2)(a)

**From:** Mike Munro  
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**Subject:** RE: Block offer speech

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s 9(2)(f)(iv)

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s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Monday, 9 April 2018 12:56 PM  
**To:** s 9(2)(a)  
**Subject:** FW: Prioritise stakeholders list [IN-CONFIDENCE]  
**Attachments:** BO2018 affected parties contact priority lists.xlsx

FYI.

s 9(2)(a) Senior Ministerial Advisor  
Office of the Prime Minister  
s 9(2)(a)

Authorised by Jacinda Ardern, Parliament Buildings, Wellington.

**From:** s 9(2)(a)  
**Sent:** Monday, 9 April 2018 12:52 PM  
**To:** s 9(2)(a) @parliament.govt.nz; s 9(2)(a) @parliament.govt.nz  
**Subject:** Prioritise stakeholders list [IN-CONFIDENCE]

Hi both,

Please see attached the priority contact list for Thursday

- Priority 1 = Iwi/Local Councils and Regional Council that are directly in the area of BO 2018
- Priority 2 = Iwi just outside affected area of BO 2018
- Priority 3 = other key Iwi with interests in Block Offer/offshore oil and gas exploration
- Important to note is the *Iwi chairs forum* (in priority 3) members cover the majority of the country for representing iwi, we only have email for the contact here.
- We are working on the list of other Councils that would be worth contacting given offshore oil/gas exploration is in their regions

If you have any questions on it then please feel free to directly contact:

- Tim Townsend – (Sector Development Policy Manager) – any iwi/regional engagement questions: s 9(2)(a)
- s 9(2)(a) (PRINCIPAL IWI & REGIONAL RELATIONSHIPS ADVISOR) s 9(2)(a)

Cheers  
s 9(2)(a)

s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 9:19 AM  
**To:** Adrian Rurawhe; s 9(2)(a)  
**Subject:** FW: Prioritise stakeholders list [IN-CONFIDENCE]  
**Attachments:** BO2018 affected parties contact priority lists.xlsx

Kia Ora,

Apologies I realised I had not supplied you with an electronic copy of this yet. Please find attached.

s 9(2)(a) | Senior Ministerial Advisor  
Office of the Prime Minister  
s 9(2)(a)

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- s 9(2)(a) (PRINCIPAL IWI & REGIONAL RELATIONSHIPS ADVISOR) - s 9(2)(a)

Cheers  
s 9(2)(a)



s 9(2)(a)

**From:** Adrian Rurawhe  
**Sent:** Wednesday, 11 April 2018 9:25 AM  
**To:** s 9(2)(a) s 9(2)(a)  
**Subject:** RE: Prioritise stakeholders list [IN-CONFIDENCE]

Kia ora s 9(2)(a)

Thanks, for this.

You mentioned that there would be a script, Or info to use?

thanks

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 9:19 AM  
**To:** Adrian Rurawhe <Adrian.Rurawhe@parliament.govt.nz>; s 9(2)(a) @parliament.govt.nz  
**Subject:** FW: Prioritise stakeholders list [IN-CONFIDENCE]

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Apologies I realised I had not supplied you with an electronic copy of this yet. Please find attached.

s 9(2)(a) Senior Ministerial Advisor  
Office of the Prime Minister  
s 9(2)(a)

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**From:** s 9(2)(a)  
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**To:** s 9(2)(a) @parliament.govt.nz; s 9(2)(a) @parliament.govt.nz  
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- Tim Townsend – (Sector Development Policy Manager) – any iwi/regional engagement questions: s 9(2)(a)
- s 9(2)(a) (PRINCIPAL IWI & REGIONAL RELATIONSHIPS ADVISOR) - s 9(2)(a)

Cheers  
s 9(2)(a)

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s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 10:43 AM  
**To:** s 9(2)(a)  
**Cc:** s 9(2)(a)  
**Subject:** RE: Oil Exploration Permits

Hi s 9(2)(a)

Just checked and a pack with information that should cover this will be distributed this afternoon.

Cheers,  
s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 10:35 AM  
**To:** s 9(2)(a) @parliament.govt.nz  
**Subject:** Oil Exploration Permits

Hi s 9(2)(a)

Thanks for helping on these queries for Minister Shaw's speech tomorrow regarding the Block Offer announcement.

1. How many oil & gas exploration permits are active?
2. How many of those active permits are for deep sea exploration?
3. How many are for on-land exploration?
4. Is off-shore seismic testing still happening?
5. Is future seismic testing allowed?

Regards

s 9(2)(a)

s 9(2)(a) Press Secretary  
Office of the Honourable James Shaw: Minister for Climate Change, Statistics, Assoc Finance Minister  
s 9(2)(a) @parliament.govt.nz  
Te Whare Pāremata, Te Whanganui-ā-Tara 6011, Aotearoa

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s 9(2)(a)

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**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 3:23 PM  
**To:** s 9(2)(a)  
**Subject:** Oil and gas key facts  
**Attachments:** 2878 17-18; Key facts in respect of the New Zealand Oil and Gas Sector\_s....pdf

As discussed, see attached.

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s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 3:38 PM  
**To:** s 9(2)(a)  
**Subject:** RE: IN-CONFIDENCE: Pre briefing list addition

s 9(2)(a) can you chuck us the script as well?

Just so we are on point.

s 9(2)(a)

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(www.blackberry.com)

**From:** s 9(2)(a) <[redacted]@parliament.govt.nz>  
**Date:** Wednesday, 11 Apr 2018, 12:36 PM  
**To:** Adrian Rurawhe <s 9(2)(a) <[redacted]@parliament.govt.nz>, s 9(2)(a) <[redacted]@parliament.govt.nz>  
**Subject:** FW: IN-CONFIDENCE: Pre briefing list addition

Kia Ora,

Please see below. Please also let me know if you have any additions or changes.

s 9(2)(a) | Senior Ministerial Advisor  
Office of the Prime Minister  
s 9(2)(a)

Authorised by Jacinda Ardern, Parliament Buildings, Wellington.

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 12:36 PM  
**To:** s 9(2)(a) <[redacted]@parliament.govt.nz>; s 9(2)(a) <[redacted]@parliament.govt.nz>  
**Subject:** FW: IN-CONFIDENCE: Pre briefing list addition

FYI

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 11:30 AM  
**To:** s 9(2)(a) <[redacted]@parliament.govt.nz>  
**Cc:** s 9(2)(a) <[redacted]@parliament.govt.nz>; s 9(2)(a) <[redacted]@parliament.govt.nz>  
**Subject:** RE: IN-CONFIDENCE: Pre briefing list addition

One more addition, based on s 9(2)(a)'s call:

s 9(2)(a) Tumuwhakarito (CEO), Te Kahui o Taranaki Trust (Taranaki Iwi Trust), phone s 9(2)(a)

Ngā mihi

s 9(2)(a)

Senior Private Secretary to Hon Andrew Little MP

s 9(2)(a)

@parliament.govt.nz

Office of Hon Andrew Little MP, Minister of Justice, Minister for Courts, Minister for Treaty of Waitangi Negotiations, Minister Responsible for the NZSIS, Minister Responsible for the GCSB, Minister Responsible for Pike River Re-entry Reception +64 4 817 8707 | Ministerial Email [a.little@ministers.govt.nz](mailto:a.little@ministers.govt.nz) | Web [beehive.govt.nz](http://beehive.govt.nz) | Postal Freepost Parliament, Private Bag 18 041, Parliament Buildings, Wellington 6160, New Zealand



Authorised by Hon Andrew Little MP, Parliament Buildings, Wellington 6160, New Zealand

From: s 9(2)(a)

Sent: Wednesday, 11 April 2018 11:27

To: s 9(2)(a) @parliament.govt.nz>

Cc: s 9(2)(a) @parliament.govt.nz s 9(2)(a) @parliament.govt.nz> s 9(2)(a)

s 9(2)(a) @parliament.govt.nz>

Subject: RE: IN-CONFIDENCE: Pre briefing list addition

He will do whatever you guys ask - his understanding is he tai ho until you guys give the final list, because PMO is deciding.

Ngā mihi

s 9(2)(a)

Senior Private Secretary to Hon Andrew Little MP

s 9(2)(a)

Office of Hon Andrew Little MP, Minister of Justice, Minister for Courts, Minister for Treaty of Waitangi Negotiations, Minister Responsible for the NZSIS, Minister Responsible for the GCSB, Minister Responsible for Pike River Re-entry Reception +64 4 817 8707 | Ministerial Email [a.little@ministers.govt.nz](mailto:a.little@ministers.govt.nz) | Web [beehive.govt.nz](http://beehive.govt.nz) | Postal Freepost Parliament, Private Bag 18 041, Parliament Buildings, Wellington 6160, New Zealand



Authorised by Hon Andrew Little MP, Parliament Buildings, Wellington 6160, New Zealand

From: s 9(2)(a)

Sent: Wednesday, 11 April 2018 11:20

To: s 9(2)(a) @parliament.govt.nz>

Subject: RE: IN-CONFIDENCE: Pre briefing list addition

Does Minister Little want to do any calls himself on this? If not we will handle

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From: s 9(2)(a) <[s 9\(2\)\(a\)@parliament.govt.nz](mailto:s 9(2)(a)@parliament.govt.nz)>  
Date: Wednesday, 11 Apr 2018, 11:17 AM  
To: s 9(2)(a) <[s 9\(2\)\(a\)@parliament.govt.nz](mailto:s 9(2)(a)@parliament.govt.nz)>  
Subject: IN-CONFIDENCE: Pre briefing list addition

Hi Hayden

Confirming Hon Little has only one additional name for that list:

s 9(2)(a) - TARANAKI ENGINEERING CONSORTIUM

Advisor, Workforce Development

Phone: s 9(2)(a)

DDI: s 9(2)(a)

Mob: s 9(2)(a)

Email: s 9(2)(a) <[s 9\(2\)\(a\)@engineeringtaranaki.co.nz](mailto:s 9(2)(a)@engineeringtaranaki.co.nz)>

His advice is that either PMO or he himself does the brief.

Looking forward to the final list.

Ngā mihi

s 9(2)(a)

Senior Private Secretary to Hon Andrew Little MP

s 9(2)(a)

Office of Hon Andrew Little MP, Minister of Justice, Minister for Courts, Minister for Treaty of Waitangi Negotiations, Minister Responsible for the NZSIS, Minister Responsible for the GCSB, Minister Responsible for Pike River Re-entry  
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Authorised by Hon Andrew Little MP, Parliament Buildings, Wellington 6160, New Zealand

s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 4:17 PM  
**To:** s 9(2)(a)  
**Subject:** FW: Info on EOLs etc [UNCLASSIFIED]

**How does the extension of land/extension of duration process work for exploration permits? In particular, how much land/how long can a company apply for?**

1. Information provided in Briefing 2869 17-18 refers and details are provided below.
2. In summary, a permit holder can apply for two *extensions of duration* for appraisal purposes for a maximum of 4 years each (i.e. a total maximum extension of 8 years).
3. There is no set limit regarding how much land can be applied for under an *extension of land* application (or how many such applications can be made) except that the land needs to be shown to relate to the extent of a geological prospect (i.e. a geological structure) or a discovered petroleum accumulation (see details below).

**What conditions have to be met to award an Extension of Land / Area ('EOL') for a Petroleum Exploration Permit?**

4. The Minister will not grant an EOL if:
  - a. the area of the proposed extension is already subject to a petroleum permit or licence; or
  - b. the area of the proposed extension is:
    - i. in a proposed block in a Block Offer that has been released for public consultation through publication on the relevant government website; or
    - ii. in an area reserved for competitive allocation in a Block Offer.
5. The Minister may decline to consent to an EOL if the permit holder has not complied with other conditions of the permit, the Crown Minerals (Petroleum) Regulations 2007 ('Regulations') or the Crown Minerals Act 1991 ('CMA'), or if the Minister is not otherwise satisfied of the matters set out below (as appropriate).
6. If the permit holder has made a discovery, the Minister will grant an EOL, subject to the holder agreeing to an appraisal work programme that is satisfactory to the Minister, where the Minister is satisfied that:
  - a. the discovery extends beyond the boundary of the permit area; and
  - b. the area of the extension sought is necessary in order to appraise the discovery.
7. If the permit holder's application for an EOL is based only on seismic and other geotechnical information (and not on a discovery), the Minister may grant an EOL where:
  - a. the Minister is satisfied that:



- i. the permit holder has identified a clearly defined, drill-ready prospect that extends beyond the boundary of the permit area;
  - ii. the area of the extension sought is necessary in order to explore the prospect; and
  - iii. there is little or no competitive interest in the area from other permit holders in the region; and
- b. the permit holder commits, as part of the application, to drill an exploration well (in addition to any existing well obligations in the permit work programme) for the prospect, before the earlier of:
  - i. the expiry of the permit; or
  - ii. 18 months after the date on which the application is granted, for an onshore permit, or 30 months after the date on which the application is granted, for an offshore permit.
- 8. To determine whether there is competitive interest in the area of the requested EOL, the Minister will provide 15 working days for other permit holders in the region to identify any alternative prospects that extend from their permit areas into the area over which the EOL has been applied for. Where one or more alternative clear prospects are identified by other permit holders to the satisfaction of the Minister, the Minister may decline the EOL application and reserve the area for a future Block Offer.

**What conditions have to be met to award an Extension of Duration ('EOD') for a Petroleum Exploration Permit?**

- 9. There are no current Petroleum Exploration Permits ('PEPs') that have durations of less than 10 years. As such, the duration of current PEPs can only be extended for the purposes of appraising (investigating the commercial producibility of) a discovery.
- 10. The Minister may grant an EOD for a PEP in order to appraise the extent and characteristics of a discovery where:
  - a. the permit holder has made a discovery that has the potential to lead to a mining permit;
  - b. the duration of the PEP does not allow sufficient time for the permit holder to appraise the discovery; and
  - c. the work programme in relation to the appraisal is adequate to appraise the discovery.
- 11. An appraisal extension will not be granted for the purposes of allowing further general exploration. It is also not a means to produce petroleum as an alternative to obtaining a mining permit.
- 12. An application for an appraisal extension must contain the information required by the Regulations and may be made on the appropriate form on MBIE's website.
- 13. The application for an appraisal extension must be made not later than six months before the expiry of the permit, unless the Minister is satisfied that there are compelling reasons why a permit holder could not comply with this requirement.
- 14. Where a discovery is made later than six months before the expiry of the permit, the Minister will be satisfied that this is a compelling reason why the permit holder could not comply with the six-month deadline. Compelling reasons may also include (without limitation) relevant *force majeure* events, or whether the information required for the application did not exist or could not have been known in sufficient time to make the application.

15. An appraisal extension may have a duration of up to four years. The Minister may grant a further extension of not more than four years subject to the same provisions as for the initial appraisal extension (i.e. allowing for a total of up to 8 years for appraisal, in addition to the initial permit term of 10, 12 or 15 years).
16. Any subsequent application for a mining permit must be submitted before the appraisal extension expires. The appraisal extension will continue in force until a decision has been made on the mining permit application.
17. The area of an appraisal extension must be restricted to the land in the permit to which the Minister determines it is likely that the discovery relates.
18. In determining the area of an appraisal extension the Minister will take into account that it may be difficult to be precise about the actual limits of a petroleum field before the appraisal work is completed. The Minister's objective will be to allow the permit holder a reasonably adequate area of land to enable it to appraise the discovery.

#### **How often are EOLs and EODs granted?**

19. Since the legislative changes in May 2013 when the Minerals Programme for Petroleum 2013 ('MPP') came into effect, only two EOLs have been granted for PEPs:
  - a. PEP 55768 (operated by AWE) was granted an EOL in March 2015. The permit is still active and is located in the onshore Taranaki Basin.
  - b. PEP 51152 (operated by Greymouth) was granted an EOL in October 2016. The permit has since been surrendered but was also located in the onshore Taranaki Basin.
20. Since the legislative changes in 2013, only two EODs for Appraisal purposes have been granted for PEPs:
  - a. PEP 38602 (operated by Todd) was granted an EOD in July 2015. The permit is located in the offshore Taranaki Basin.
  - b. PEP 38479 (operated by Loyz) was granted an EOD in December 2015. The permit is located in both onshore and offshore parts of the Taranaki Basin. However, Loyz has since applied to surrender this permit.
21. At the time of writing, there are two further applications for EODs that are being processed. These are for PEP 51153 (operated by TAG) and PEP 51150 (operated by NZEC).
22. As an aside, it may be noted that prior to Block Offer 2012, the duration of exploration permits was 5 years, and permit holders were able to subsequently extend their permit durations to 10, 12 or 15 years accordingly. However, all exploration permits of this vintage that are still current have been granted such extensions, and so this alternative mechanism for extending permit terms is no longer applicable to current permits.

#### **How many current exploration permits have had an EoL/EoD?**

23. Of the current PEPs, and since the MPP came into effect in May 2013, two current exploration permits were granted EoDs (PEP 38602 and PEP 38479) and one current exploration permit was granted an EOL (PEP 55768).

How many exploration permits are in their second stage?

24. Of the current PEPs, and since the MPP came into effect in May 2013, two current exploration permits were granted EoDs (PEP 38602 and PEP 38479).
25. Given that the holder of PEP 38479 (Loyz) has applied to surrender this permit, officials do not expect a further extension of duration application to be made. For PEP 38602, the permit holder (Todd) is eligible to apply for a further extension of 4 years.
26. All other PEP holders are eligible to apply for two extensions of duration, totalling up to 8 years beyond the current permit terms.
27. However, given the low probability of geological success for exploration drilling (e.g. 20%), and the fact that exploration permits are often surrendered prior to exploration drilling occurring, officials anticipate that only a small percentage of current permit holders will ultimately apply to extend the durations of their permits.
28. In addition, and as stated above, an extension of duration will not be granted for the purposes of allowing for further general exploration for a new petroleum accumulation, but only for appraising discovered petroleum, and the area of the PEP at this time will be restricted to the probable area of the discovered accumulation.

**From:** David Darby  
**Sent:** Wednesday, 11 April 2018 11:56 a.m.  
**To:** s 9(2)(a)  
**Cc:** Josh Adams  
**Subject:** Info on EoLs etc [UNCLASSIFIED]

Hi s 9(2)(a)

As mentioned, Qs from PMO:

- Can we get an outline of how the extension of land/extension of time process works for exploration permits? (particularly, how much land/how long can a company apply for?)
- What conditions have to be met to award these?
- How often do EoLs/EoTs occur?
- How many current exploration permits have had EoL/EoT?
- How many exploration permits are in their second stage?

Cheers

Dave

[www.govt.nz](http://www.govt.nz) - your guide to finding and using New Zealand government services

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OFFICIAL INFORMATION ACT

s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 4:18 PM  
**To:** s 9(2)(a)  
**Subject:** FW: Block offer speech 9 April v1.docx

s 9(2)(a) Josh Adams

**From:** s 9(2)(a) @mbie.govt.nz]  
**Sent:** Wednesday, 11 April 2018 3:53 PM  
**To:** s 9(2)(a) @parliament.govt.nz>; Andrew Hume <Andrew.Hume@mbie.govt.nz>; David Darby <David.Darby@mbie.govt.nz>; Josh Adams <Josh.Adams@mbie.govt.nz>; Marcos Pelenur <Marcos.Pelenur@mbie.govt.nz>; Tim Townsend <Tim.Townsend@mbie.govt.nz>; James Stevenson-Wallace <James.Stevenson-Wallace@mbie.govt.nz>  
**Subject:** RE: Block offer speech 9 April v1.docx

Hi s 9(2)(a)

Here's a list of the longest duration permits – there are a lot more but these are the ones with the longest expiry dates

Expiry	Field	Details (call before use)
27/04/2036	Turangi	s 9(2)(b)(ii)

19/06/2036	Ngaere	s 9(2)(b)(ii)
20/06/2036	Waihapa	
27/06/2036	Maui	

7/10/2036	Pohokura	s 9(2)(b)(ii)
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22/12/2036	Ngatoro	s 9(2)(b)(ii)
14/09/2037	Cheal East	
24/11/2049	Moturoa	

15/12/2050	Ahuroa (gas storage)	s 9(2)(b)(ii)
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29/11/2056	Hanmer Springs	s 9(2)(b)(ii)
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As far as the best date to use 2036 would be preferred, as its covers 6 fields – including the 2 most productive (Maui & Pohokura)

**From:** s 9(2)(a) @parliament.govt.nz]  
**Sent:** Wednesday, 11 April 2018 3:28 p.m.  
**To:** Andrew Hume; David Darby; Josh Adams; Marcos Pelenur; Tim Townsend; s 9(2)(a) ; James Stevenson-Wallace  
**Subject:** FW: Block offer speech 9 April v1.docx  
**Importance:** High

Hi,

Please can we provide advice as to the best date to use for how far out permits go. They have previously used 2046 but want to check. This is for comms material. Please note the comments provided in the attached on this from Dave and I last night in case this is helpful.

Please can we have an answer by 4pm?

s 9(2)(a)

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s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 7:12 PM  
**To:** s 9(2)(a)  
**Cc:** s 9(2)(a)  
**Subject:** FW: Combined material from previously sent emails  
**Attachments:** Min Media release - BO18 Draft.docx; Block Offer Q and As JGW DD comments.docx; Block offer 2018 consultation letter to iwi.docx; Block Offer 2018 notification letter to councils.docx; Block Offer information letter to iwi.docx; Combined stakeholder engagement list.docx; Key messages.docx

s 9(2)(a) please call s 9(2)(a) to discuss. Free at 7:30pm

Sent with BlackBerry Work  
(www.blackberry.com)

**From:** s 9(2)(a) <a@parliament.govt.nz>  
**Date:** Wednesday, 11 Apr 2018, 7:06 PM  
**To:** s 9(2)(a) <a@parliament.govt.nz>; s 9(2)(a) <a@parliament.govt.nz>  
**Subject:** Combined material from previously sent emails

Combined stakeholder engagement list – this is the spreadsheet of names and contacts  
Min Media release – PR for the Block Offer announcement  
BO Q&A – mBIE comments

s 9(2)(a)

Private Secretary (Energy & Resources) | Office of Hon Dr Megan Woods | Minister of Energy and Resources  
6.1 Executive Wing | Parliament Buildings | Wellington | New Zealand

s 9(2)(a)

s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 8:08 PM  
**To:** s 9(2)(a)  
**Subject:** Block Offer Consultation  
**Attachments:** Min Media release - BO18 Draft.docx; Block Offer Q and As JGW DD comments.docx; Block offer 2018 consultation letter to iwi.docx; Block Offer 2018 notification letter to councils.docx; Block Offer information letter to iwi.docx; Combined stakeholder engagement list.docx; Key messages.docx; BO2018 affected parties contact priority lists.xlsx

Kia Ora s 9(2)(a)

Please see attached. The key documents are the spreadsheet. We would like Minister Little to call the people listed in priority 3. If there is someone else he feels would be more appropriate within the organisation please let me know. In addition to that the key messages document is useful.

s 9(2)(a) | Senior Ministerial Advisor  
Office of the Prime Minister  
s 9(2)(a)

Authorised by Jacinda Ardern, Parliament Buildings, Wellington.

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 7:19 PM  
**To:** s 9(2)(a) @parliament.govt.nz; Adrian Rurawhe  
s 9(2)(a) @parliament.govt.nz  
**Cc:** s 9(2)(a) @parliament.govt.nz; s 9(2)(a) @parliament.govt.nz  
**Subject:** FW: Combined material from previously sent emails

Kia Ora,

Please find attached the material to assist with contacting affected Maori organisations. The key messages document is probably the most useful to have in front of you for making calls. s 9(2)(a) can answer any questions you have.

Please make the calls after 8pm tonight.

Please let us know if there are any people you were not able to get in touch with tonight.

Thank you again for your help.

s 9(2)(a) | Senior Ministerial Advisor  
Office of the Prime Minister  
s 9(2)(a)

Authorised by Jacinda Ardern, Parliament Buildings, Wellington.



s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 9:40 PM  
**To:** s 9(2)(a)  
**Cc:** s 9(2)(a)  
**Subject:** Talking points  
**Attachments:** Key messages.docx

Hey s 9(2)(a)

Please see the attached key messages for stakeholder engagement. We will also have a finalised fact sheet soon.

Cheers,

s 9(2)(a)

**Ministerial Advisor – Office of Hon Dr Megan Woods**

Minister of Energy and Resources | Minister for Greater Christchurch Regeneration | Minister of Research, Science and Innovation | Minister Responsible for the Earthquake Commission

s 9(2)(a)

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s 9(2)(a)

**From:** s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 11:57 PM  
**To:** s 9(2)(a)  
**Subject:** FW: Block Offer 2018

Hi s 9(2)(a)

Further to the Minister's annotations in the briefing of 16 March 2018 regarding Block Offer 2018, please see the below comments.

Let's discuss tomorrow.

Cheers,  
s 9(2)(a)

**From:** Hon. Dr Megan Woods  
**Sent:** Wednesday, 11 April 2018 11:45 PM  
**To:** s 9(2)(a) <[redacted]@parliament.govt.nz>  
**Subject:** Block Offer 2018

Upon taking office, I began discussing Block Offer with officials and sought advice about Block Offer 2018. Early in my tenure I asked for advice on petroleum allocation scenarios, both by convention and under the Crown Minerals Act 1991.

On 27 February 2018 I received a briefing titled 'Petroleum Allocation Scenarios' that outlined a number of options for Block Offer 2018, ranging from a similar offer to 2017, through to a permanent moratorium on issuing new petroleum permits. My final decision was informed by advice in this briefing.

I considered the options and noted the Ministry's advice, including paragraphs 30 and 31. I noted in the options table that one way to minimise risk was preserving rights of existing exploration permit holders to proceed to mining should a discovery be made.

I ruled out options 5, 6 and 7. I noted advice that option 4, among other things, maintains an investment climate in a producing region, maintains existing regional employment opportunities and the service sector and it goes some way to limiting risks to security of supply. I also noted that it may erode investment certainty.

Following consideration I signalled my preferred option was a variation on option 4 that limited 2018 Block Offer to Taranaki onshore only and linked the review of the approach to offshore with the work of the Interim Climate Change Committee.

I then sought further advice and discussed this preferred option with colleagues.

I received a briefing dated 16 March 2018 titled 'Block Offer 2018 – proposed blocks for consultation' and considered this. I have agreed to the proposed blocks for 2018 consultation as outlined in this briefing and have signalled to officials that conservation land will be excluded during the tender process.

The factors I considered in making my final decision were:

- Advice received from officials

- The extent of offshore acreage already allocated.
- The expanding acreage offered through the Block offer process seen in the context of declining numbers of permits being granted
- The competitive nature of previous offers for onshore Taranaki blocks
- The geological prospectivity of onshore Taranaki
- Lower cost structures for onshore drilling
- Security of supply for gas

In the briefing I noted that a number of other recommendations were overtaken by events. In particular, I no longer expect the consideration of offshore oil and gas exploration to be an explicit deliverable for the Interim Committee. The Committee has a substantial workload and within this workload it will look at the transition to 100% renewable electricity by 2035, which will include consideration of the role of gas. This decision also provides greater investment certainty. I remain committed to considering any advice the Committee may offer in relation to my portfolio.

I have informed colleagues about another decision that there will be no offshore blocks offered in future Block Offers or through an alternative process. I informed them that my intention in announcing this policy is to provide certainty to the market around the Block Offer 2018 process, but that formal decisions on future Block Offers will need to be made at the time in accordance with the Crown Minerals Act 1991.

I further informed my colleagues that it is also my intention that this policy will not affect the right of current permit holders to continue production or exploration activities under existing permits, including, for the avoidance of doubt, the right of existing exploration permit holders to apply for subsequent mining permits should they discover commercial quantities of petroleum offshore. I intend to take a paper to Cabinet in the near future setting out the full details of this new policy, including clarification around the rights of existing permit holders as well as the fiscal and legislative implications.

s 9(2)(a)

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**From:** s 9(2)(a)  
**Sent:** Thursday, 12 April 2018 10:33 AM  
**To:** s 9(2)(a)  
**Cc:** s 9(2)(a)  
**Subject:** Emailing: TalkingPointsPresser.docx  
**Attachments:** TalkingPointsPresser.docx

Hi, PM is talking at Vic Uni 12.30 so anyone interested in oil and gas should be up there - but give him these for the House

Your message is ready to be sent with the following file or link attachments:

TalkingPointsPresser.docx

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

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s 9(2)(a)

**From:** Hon Andrew Little  
**Sent:** Thursday, 12 April 2018 12:15 PM  
**To:** s 9(2)(a)  
**Subject:** TODAY: New Plymouth meeting with minister Hon Andrew Little MP

Good afternoon s 9(2)(a)

This morning the Coalition Government took an important step to address climate change and create a clean, green, and sustainable future for New Zealand, by announcing that this year's block offer will be limited to onshore acreage in Taranaki alone and there will be no new offshore oil and gas exploration permits granted.

We are proving certainty for industry and communities so people can plan for the future, through a managed transition. We are protecting existing exploration and mining rights. No current jobs will be affected by this as we are honouring all agreements with current permit holders. There are 31 oil and gas exploration permits currently active, 22 are offshore. These permits cover an area of 100,000 sq kms, nearly the size of the North Island, and run as far out as 2030 and could go an additional 40 years under a mining permit.

It is important that you have an opportunity to be heard by government. I will be having a meeting for opinion leaders tonight so that we can meet and I can take your questions. You are welcome to bring others or send a representative.

**DATE:** TODAY, 12 April 2018  
**TIME:** 5.00pm  
**VENUE:** Quality Hotel Plymouth International, Cnr. Courtenay & Leach St., New Plymouth 4312

You can RSVP to my office on 04 817 8707 or [andrew.little@parliament.govt.nz](mailto:andrew.little@parliament.govt.nz).

Kind regards

Hon Andrew Little MP

Phone +64 4 817 8707 | Web [beehive.govt.nz](http://beehive.govt.nz) | Postal Freepost Parliament, Private Bag 18 041, Parliament Buildings, Wellington 6160, New Zealand



Authorised by Hon Andrew Little MP, Parliament Buildings, Wellington 6160, New Zealand

s 9(2)(a)

**From:** Ben Temple [TSY] s 9(2)(a)@treasury.govt.nz>  
**Sent:** Thursday, 12 April 2018 2:47 p.m.  
**To:** s 9(2)(a)  
**Cc:** s 9(2)(a) [TSY]; s 9(2)(a) [TSY]  
**Subject:** RE: URGENT - Fiscal impacts of block offer changes

s 9(2)(a)

Apologies for miscommunication. I had understood we were waiting for an oral question, as the answer to your initial question was 'none' – as advised by Erwin.

We have since received advice from MBIE, who is responsible for advising on the fiscal implications of energy and resource sector policies.

In answer to specific questions:

**Will the Government's announcement that "There will be no further offshore oil and gas exploration permits granted" impact the Crown's forecast revenue?**

No. Given the uncertain nature of revenue associated with oil and gas exploration, this potential revenue is not included in forecast revenue.

Historically, the Minister for Energy and Resources decides the timing and regularity of the offering, for example what to put out for consultation and subsequently what to put out for tender. Prior to any decision, an oral item is tabled with Cabinet.

The annual Block Offer process was introduced in 2012, creating predictability for industry to nominate areas of interest, as well as for consultation with iwi and engagement with local authorities.

It takes typically over five years for an offshore permit holder to move from initial interest to a drilling decision. Any discovery, particularly offshore, can then also take years to develop.

Overall, oil and gas companies tend to look at their operation in a market like New Zealand on a portfolio basis. Should growth opportunities through exploration be removed, it may incentivise them to either sell their existing producing assets or not to invest further in extending their production life.

This would have the effect of bringing decommissioning costs forward compared to what would otherwise be the case, alongside the associated Crown liabilities for a portion of these costs that represent the amount of taxes and royalties that have effectively been overpaid over the life-cycle of the field's production.

**What are the difficulties associated with calculating expected Crown revenue associated with block offers?**

We do not know the fiscal implications of not developing unknown oil and gas resources. New Zealand is highly prospective but under explored. There are a number of basins, other than the Taranaki basin, that could contain commercial deposits of oil and gas

Estimating the potential foregone Crown revenue from royalty, energy resource levies, and company withholding taxes would require first estimating the scale of NZ's untapped natural resource potential:

- Modelling the resources in place

- Developing field and basin size estimates
- Testing the commercial viability of each discovery
- Generating production profiles, based on the distribution of production profiles (at various probability intervals: 10%, 50%, 90%), resource probability estimates, and break-even industry assumptions.

The production profiles rely on source resource data which is underdeveloped by international standards, and the production profiles are heavily determined by theoretical probability models.

It is important to note that assumptions are required about a large number of variables. Any Crown revenue benefits associated with realising that potential depend on what would be commercially developed at specific points in time.

Let me know if you need anything further.

Ben

s 9(2)(a) | The Treasury  
Tel: s 9(2)(a) s 9(2)(a) @treasury.govt.nz

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The information in this email is confidential to the Treasury, intended only for the addressee(s), and may also be legally privileged.

From: s 9(2)(a) [TSY]  
Sent: Thursday, 12 April 2018 2:35 p.m.  
To: s 9(2)(a) [TSY] <s 9(2)(a) @treasury.govt.nz>  
Subject: FW: URGENT - Fiscal impacts of block offer changes

From: s 9(2)(a) [TSY]  
Sent: Thursday, 12 April 2018 1:31 p.m.  
To: s 9(2)(a) @parliament.govt.nz; s 9(2)(a) @parliament.govt.nz  
Cc: s 9(2)(a) [TSY] <s 9(2)(a) @treasury.govt.nz>; ^Parliament: s 9(2)(a) s 9(2)(a) @parliament.govt.nz  
Subject: RE: URGENT - Fiscal impacts of block offer changes

[IN-CONFIDENCE]

Hi s 9(2)(a)

Are these the two questions you want answers to:

- Will the decision not commence a 2018 block offer for offshore oil and gas exploration impact the Crown's forecast revenue?
- What are the difficulties associated with calculating expected Crown revenue associated with block offers?

Please confirm ASAP, and we will pull answers together.

Thanks,  
s 9(2)(a)

From: s 9(2)(a) @parliament.govt.nz]  
Sent: Thursday, 12 April 2018 9:34 a.m.  
To: s 9(2)(a) @parliament.govt.nz>; s 9(2)(a) @treasury.govt.nz>  
Cc: s 9(2)(a) [TSY] s 9(2)(a) @treasury.govt.nz>; ^Parliament: s 9(2)(a) s 9(2)(a) @parliament.govt.nz>  
Subject: URGENT - Fiscal impacts of block offer changes

Hi Ben / Erwin,

The MOF's office is anticipating an oral question in the House today about the fiscal impacts of the block offer changes just announced by the PM.

In preparation, can you please send me any existing advice you have on the fiscal impacts of the block offer changes.

Can you please also be available from 10.30-2pm in case more advice is required.

Regards,  
s 9(2)(a)

s 9(2)(a) Economic Advisor  
Office of Hon Grant Robertson, Minister of Finance  
Level 7.6 Executive Wing, Parliament Buildings, PO Box 18041, Wellington 6160, New Zealand  
T: s 9(2)(a) M: s 9(2)(a) E: s 9(2)(a) @parliament.govt.nz

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