

Taranaki – New Zealand’s Oil & Gas Capital and Dairy Province

Taranaki Geography

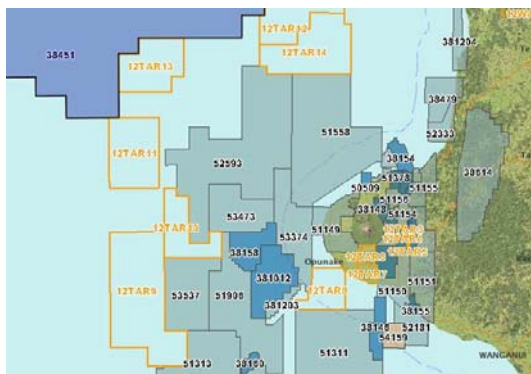
Total land area:	723,610 ha; approx. 3% of NZ's
Rivers:	530 named rivers and streams in 217 catchments
Landuse:	Producing pastures account for 57% of the region
Population:	104,127 (2006); 2.6% of NZ's
Dairy:	Directly employed 6,160 FTE (14% of regional FTE) , generating \$732 million (17% of regional GDP) in 2006. 486,915 cows produced 11% of NZ's total milk solids (4 th highest in NZ) in 2010.
Oil & Gas:	Directly employed 817 FTE (1.8% of regional FTE) , generating NZ\$741 million of regional GDP in 2006. Venture Taranaki claims the industry employs 4,200+ FTEs and generates NZ\$1 billion when including the indirect and induced effects.
Port Taranaki:	Directly employed 900 FTEs (2%) , generating NZ\$188 million (4.6%) in 2006.



Oil and Gas Industry

Taranaki Regional Council (TRC) describes Taranaki of “[strategic importance](#) to New Zealand”, boasting NZ’s first and currently only hydrocarbon producing area, and contributing to 23% of NZ’s total primary energy supply in 2004. More than ten oil/gas companies operate to explore and produce from 20 gas/oil fields across Taranaki. Onshore, the Kapuni gas-condensate field (S Taranaki) was discovered in 1959 by a Joint Venture consisting of Shell, BP and Todd. Being the oldest producing gas field, it is now subjected to a major [redrilling and expansion campaign](#). The Kapuni and offshore Maui fields make up the major part of New Zealand's natural gas resources. The historic and recently intense oil/gas exploration has left at least [140 abandoned hydrocarbon wells](#) in Taranaki, many with unknown integrity. The vast majority of the fields produce natural gas and/or condensate from shale or sandstone, although [coal seam gas](#) exploration is on the way. There is a range of associated industries, notably [methanol](#) largely for

export, [ammonia-urea](#) production mostly for domestic use, and [Port Taranaki](#) which derives most of its revenue from the oil/gas and associated industries through import, export and servicing.



Exploration Block Offers

Since the mid 2000s, the Ministry of Economic Development has issued over a dozen new onshore and 15 offshore permits for exploration, spanning huge areas. In June 2012, the government announced a new system whereby annual block offers are made open for company biddings. The first round designated 23 onshore (3,305.5 km²) and offshore (40,198.5 km²) block offers across the country, 12 within Taranaki. <http://www.nzpam.govt.nz/cms/news/2012/tender-for-oil-and-gas-exploration-permits-opens>

Hydraulic Fracturing and Waste Disposal

In Nov 2011, TRC released a [hydrogeological risk assessment report on fracking](#), concluding that fracking is of low risk. The report was recently revised, revealing a total of 65 hydraulic events in 39 wells from 1989 to mid-2011, involving 67 fracking products containing dozens of hazardous chemicals. A main concern in Taranaki is that drilling wastes (potentially containing frack fluids) are allowed to be discharged into waterways, underground by deepwell injection, or onto land via “landfarming” and dairy cows are put back on the “landfarms”. The regional council’s poor regulatory, monitoring and reporting procedures over the oil/gas/fracking industry fail to ensure environmental health and public safety. For more information on the extent and issues of this industry in Taranaki, read “[Fracking Factsheet](#)”, “[Review of hydraulic fracturing in Taranaki](#)” and “[Taranaki’s main onshore oil and gas exploration, production and disposal sites](#)”. The LIVE magazine article “[Economic boom or environmental bust](#)” and Taranaki Daily News’ “[Fracking tour taps deep fear](#)” offer good analyses of the social and environmental impacts.

Taranaki – NZ's Dairy Province

Total area: 723, 610 ha

3% of NZ's land area

Landuse: 57% Producing Pastures

Dairy: 486,900 cows produce

11% of NZ's milk solids
4th highest of all regions



Dairy

6,160 FTE (full time equivalent)

14% of regional FTE

NZ\$ 732 million

(17% of regional GDP)

8.4 jobs / million \$



Oil & Gas

817 FTE (full time equivalent)

1.8% of regional FTE

NZ\$ 741 million

1.1 jobs / million \$

