

Deep Water Taranaki Basin Acreage Up For Grabs

The New Zealand Government is to hold its first petroleum permit bidding round over the previously unexplored deep water portion of the Taranaki Basin.

Five blocks off the west coast of the North Island, covering a total of 42,000 km², have been placed on offer for bidding by oil explorers.

The deep water Taranaki Basin is adjacent to the highly productive shallower section of the basin, and extends down the continental shelf from about 200 m of water into the head of the New Caledonia Basin, in about 1800 m of water.

The bidding round follows the completion in 2001 of a 6200 km 2D seismic survey over the deep water area by Norwegian survey company TGS-NOPEC.

The data revealed a total sediment thickness of more than 10,000 m in deeper parts of the

basin, northwest of the petroleum producing section of the basin.

Interpretation of the new seismic data by scientists from the Institute of Geological and Nuclear Sciences also revealed a Late Cretaceous delta approximately 100 km long and 2000 m thick, which is believed to contain large volumes of petroleum source rocks which prograded into the head of the New Caledonia Basin.

The oil play is in addition to play types already identified in the shallow waters of the basin and is stratigraphically below the established shallower water plays on the basin shelf. Large potential oil-bearing traps up to at least 150 km² have been identified within the deep water basin.

New Zealand's Associate Minister for Energy, the Hon. Harry Duynhoven, said that the opening of a deep water oil exploration area would create some exciting new

possibilities for the petroleum industry in New Zealand.

"We will need high technology companies with large resources to be able to discover and develop any oil that is found", he said.

New Zealand's petroleum provinces are under-explored by world standards, although most sedimentary basins are highly prospective. New Zealand's present exclusive economic zone has an area of 4 MM km², about 15 times the area of its landmass. Within the enormous offshore area are a number of deep water sedimentary basins.

Blocks will be allocated on a competitive work programme system, where the exploration company bidding the best programme of work for a particular block is likely to be the successful applicant.

A year will be allowed for marketing of the blocks with applications closing on September 30th 2003.