

Coal Seam Gas Sample Submission

Regulations 49-51 of the Crown Minerals (Petroleum) Regulations 2007 require that drill cuttings, core samples and sidewall core samples collected during well-drilling operations be forwarded to the Secretary. The only exemption to those requirements provided by the Regulations is at regulation 49(5) if the well concerned is being drilled as part of coal seam gas drilling operations and obtaining drill cuttings is not a purpose of drilling the well.

Crown Minerals has reviewed the need for all coal seam gas wells to have samples lodged with the Secretary. Given that coal seam gas wells drilled in a single drilling programme are often located in close proximity to each other, Crown Minerals does not believe that there is value in retaining all samples collected from the programme.

Crown Minerals has identified the following samples as having the greatest value for advancing the prospectivity of New Zealand. As such, Crown Minerals will require lodgement of the following in respect of each drilling programme undertaken in a permit area:

1. For the first surface well drilled in a drilling programme, Regulations 49-51 will apply as usual.
2. For subsequent surface wells drilled in a drilling programme within a 2 kilometre radius of the first surface well, only core cut through a reservoir formation interval is required to be lodged.
3. For subsequent surface wells drilled in a drilling programme greater than 2 kilometres from the first surface well, Regulations 49-51 will apply as usual.

Holders of coal seam gas permits are therefore invited to make an application for exemption from the requirements of regulations 49-51 in the circumstances described in paragraph 2 above by application to the Secretary under regulation 14 of the Crown Minerals (Petroleum) Regulations 2007.