

24 August 2012
Document: 1085491



Sarah Roberts, David Morrison, Michael Self
C/- 24 Salcombe Terrace
Welbourn
New Plymouth

Dear Ms Roberts, Mr Morrison, Mr Self

Response to your emailed correspondence of 5 August 2012

On 5 August 2012, the Council received emailed correspondence from you to express *your concern regarding the Director of Environment quality, Taranaki Regional Council (TRC), Mr Bedford's response in the Taranaki Daily News on August 4th. We believe his response highlights overwhelmingly why the public should be fearful of the environmental monitoring of oil and gas industries by the Council.*

Attached is a reply briefly addressing the concerns raised.

Your allegations and assertions are wrong on all counts.

Further to that, after considering these latest misplaced 'concerns' and reviewing your previous complaints and allegations, it is apparent that you have consistently misinterpreted and misrepresented information associated with hydraulic fracturing in Taranaki. These actions of misinterpretation and misrepresentation have now been so numerous and consistent that they cannot be considered as either innocently naïve or simply incompetent. Rather your actions are deliberately mischievous and plainly vexacious. On occasions, they have also been shamefully and offensively directed at the professional integrity of the Council and its officers.

The Council has exercised courtesy and engaged in considerable time and effort, towards trying to improve your understanding of these matters. This, as previously advised, has been at substantial cost to the Council and by extension to Taranaki ratepayers, in the order of tens of thousands of dollars.

It is with some regret that I have now advised staff to desist from spending substantial further amounts of time in responding to your vexacious behaviours. Henceforth your queries, similar to those referred to above, will be simply acknowledged and filed.

Yours faithfully

B G Chamberlain
Chief Executive

#1080310

Notes re S Roberts letter in DN 7 August 2012/ email 5 August

1. Date of fracturing of Ngatoro 1

Claim: fractured 7 Feb 2001, not 1993 as stated by G Bedford

Fact: The date of fracture of Ngatoro 1 was provided to TRC by Ministry of Economic Development, during the process of ensuring the Council's hydrogeological assessment has a comprehensive catalogue of fracturing events in Taranaki. Mr Bedford accurately and reliably reported to the *Daily News* the date for the fracturing of Ngatoro 1 that was contained within the text of a Council memorandum (Policy and Planning agenda 7 June 2012). The text contained an error at this point. The report publicly presented to the Council for adoption referenced the correct date (Table 5). This report is publicly available per the Council's site. It should be noted that Ms Roberts herself is wrong when she asserts Ngatoro 1 was fractured in 2001. It was in fact fractured in 2002.

The actual date of the fracturing is simply immaterial in any case to the fundamental issue at hand. The argument over which precise date is correct misses the key point- which is that the Council has been comprehensively monitoring (and publicly reporting) the Ngatoro sites since 1990, by regular site inspections, sampling and chemical analysis of both discharge and receiving waters, and by regular biomonitoring of the ecology of the streams. In other words, there has been comprehensive environmental monitoring and reporting for over 20 years, including throughout the period of any fracturing.

The annual reports detailing the monitoring are available on the Council's website.

2. Location of the discharge from the Ngatoro A wellsite licensed by Consent 4073-2.

Claim: discharges directly into the Ngatoro Stream above the intake for the Inglewood water supply, not into a tributary that joins the Ngatoro Stream below the water intake as stated by Mr Bedford

Fact: Ms Roberts is simply wrong as a matter of record. Consent 4073-2 was granted in February 1998. Had she taken the time to read the Council report for consent 4073, in the second paragraph she would have read: *'The wellsite discharge initially enters a drain-like unnamed tributary and travels approximately 300 metres before entering the Ngatoro Stream'*. (See attachment)

Officers of the Council have been inspecting the wellsite 4- 6 times per year since 1990. The discharge system has therefore been checked over 50 times since 1998. It discharges to the tributary exactly as stated by Mr Bedford, and as the Council stated in the consent report and in every annual report since 1998.

The monitoring data for 2010-2011 is included in the report for the Kaimiro and Ngatoro Production stations that is available on the Council's website for public reading. This shows that

the quality of the Ngatoro Stream flowing past the Inglewood water supply intake is high and that there is no evidence of any contamination from the Ngatoro A wellsite. Even after the inflow of the tributary carrying the discharge from the Ngatoro A wellsite into the Ngatoro Stream further downstream, the chloride concentration in the Ngatoro Stream (chloride is the significant contaminant in produced water discharging from a well) remains at or below 20% of the NZ Drinking Water Standard- ie even if the Ngatoro A wellsite did discharge into the Ngatoro Stream above the water intake (which it doesn't), water quality for supply purposes would not be compromised.

3. Location of sampling points at Ngatoro A wellsite

Claim: the sampling points are hundreds of metres below the legally consented discharge point.

Fact: the sampling points that are in the tributary and Ngatoro Stream are indeed hundreds of metres below the discharge point. But Ms Roberts conveniently fails to mention that the discharge from the wellsite itself is also routinely sampled and assessed for compliance against the consent.

4. Monitoring of fracked wells

Claim: Many wells do not have comprehensive environmental reports; often there is only 'visual monitoring'

Fact: this statement ignores both the extent of the biomonitoring and physicochemical sampling and analysis conducted by the Council, and also the fundamental and widely recognised value of a rigorous and comprehensive inspection regime.

Inspection and examination of wellsites is a fundamental and effective means of monitoring. The Council's inspections are based on best-practice internationally recognised and endorsed wellsite monitoring checklists developed by the Alberta Energy Resources Conservation Board and the USEPA. By the time Council inspectors have on each visit checked matters such as bunds, perimeter drains, skimmer/sedimentation pits, site layout, placement of drilling equipment, storage facilities, flarepits, piping, staff amenities, the state of any surface waters in the vicinity, separation distances to offsite surface water and nearby residences, contingency plans, and operational records, and have observed any discharges and receiving waters for odour (a marker for any hydrocarbon contamination) and appearance (slicks for hydrocarbons, cloudiness for suspended solids), a robust and comprehensive evaluation of compliance has been delivered.

With the exception of fisheries officers living 24 hours a day on foreign fishing vessels for catch monitoring, I daresay the weekly inspection regime implemented by the Council in respect of wellsite activity is perhaps the most intensive for any activity under any statutory regime by any authority in New Zealand.

But in any case, in the last 7 months the Council has also collected 49 water samples from shallow groundwater near sites that have been or are being fractured. The samples have been cumulatively been subjected to 2,920 analyses. Not a single result shows evidence of any contamination by fracturing activity. And as noted above, in the particular case of the Ngatoro

wellsites, which the Daily News asked Mr Bedford to provide comment on, some 250 water quality samples have been collected and analysed, and more than 20 biomonitoring surveys conducted in the Ngatoro Stream, over the monitoring record. This record is a matter of public record and is publicly available through the annual compliance reports on the Council's website.

Extract from Council report for Consent 4073-2

'Memorandum

To Consents Manager, A D [Fred] McLay
From Consents Officer, R R [Bob] Penter
File TRK984073 089
Date 10 December 1997

Renewal of consent TRK924073—to discharge up to 100 cubic metres/day of treated stormwater, treated production water and treated wastewater from oil well drilling and production operations and a truck turning area into the Ngatoro Stream a tributary of the Manganui River in the Waitara catchment

Applicant	NZOG SERVICES LIMITED
Postal address	PO Box 3198, Shortland Street, Auckland
Site location	Ngatoro-1 wellsite, Dudley Road, Inglewood [property owner: E I and E E Jones]
Grid reference	Q19:110-217
Legal description	SEC 11 PT SECT 17 BLK VIII EGMONT SD
Catchment	Waitara 395.000
Tributary	Manganui 395.040 Ngatoro 395.045
Volume	100 cubic metres/day
Review date(s)	June 2003 and June 2009
Expiry date	1 June 2015

1. Introduction

NZOG Services Limited (NZOG) has applied to renew consent TRK924073 to discharge up to 100 cubic metres/day of treated stormwater, treated production water and treated wastewater from oil well drilling operations and a truck turning area into the Ngatoro Stream a tributary of the Manganui River in the Waitara catchment. The discharge is from the Ngatoro-1 wellsite, which is located on the property of E I and E E Jones, Dudley Road, Inglewood.

The wellsite discharge initially enters a drain-like unnamed tributary and travels approximately 300 metres before entering the Ngatoro Stream.

The area is part of the high rainfall Taranaki ring plain, which is the area of land drained by waterways originating on the slopes of Mt Egmont and its associated ranges. The Ngatoro Stream is one of the many streams which make up the radial drainage pattern emanating from the mountain peak.

The Ngatoro-1 well was drilled by Fletcher Challenge Energy Taranaki (FCET), then known as Petrocorp Exploration Limited, in the mid 1980s and subsequently abandoned as a dry well. NZOG acquired the petroleum prospecting licence, and in 1992 re-entered this well and began oil production from a zone higher in the well. Later NZOG bought an interest in the Ngatoro field, and NZOG are the operators of this wellsite.

NZOG, for clarity, have requested a change to nomenclature of its wells, so that the Ngatoro-1 well is now known as the Ngatoro-A wellsite. The renaming process began last year with the renewal of the air discharge permit (TRK964848) for the wellsite.'

