

# OMV proposal for offshore oil and gas exploration in the Great South Basin

September 2019

OMV GSB Ltd is one of the largest oil and gas companies operating in New Zealand. OMV plans to explore for oil and gas in an area over 40 km offshore from Otago. This factsheet explains more about their planned activities, the possible environmental impact, and the approval they will need from the EPA before they can go ahead.

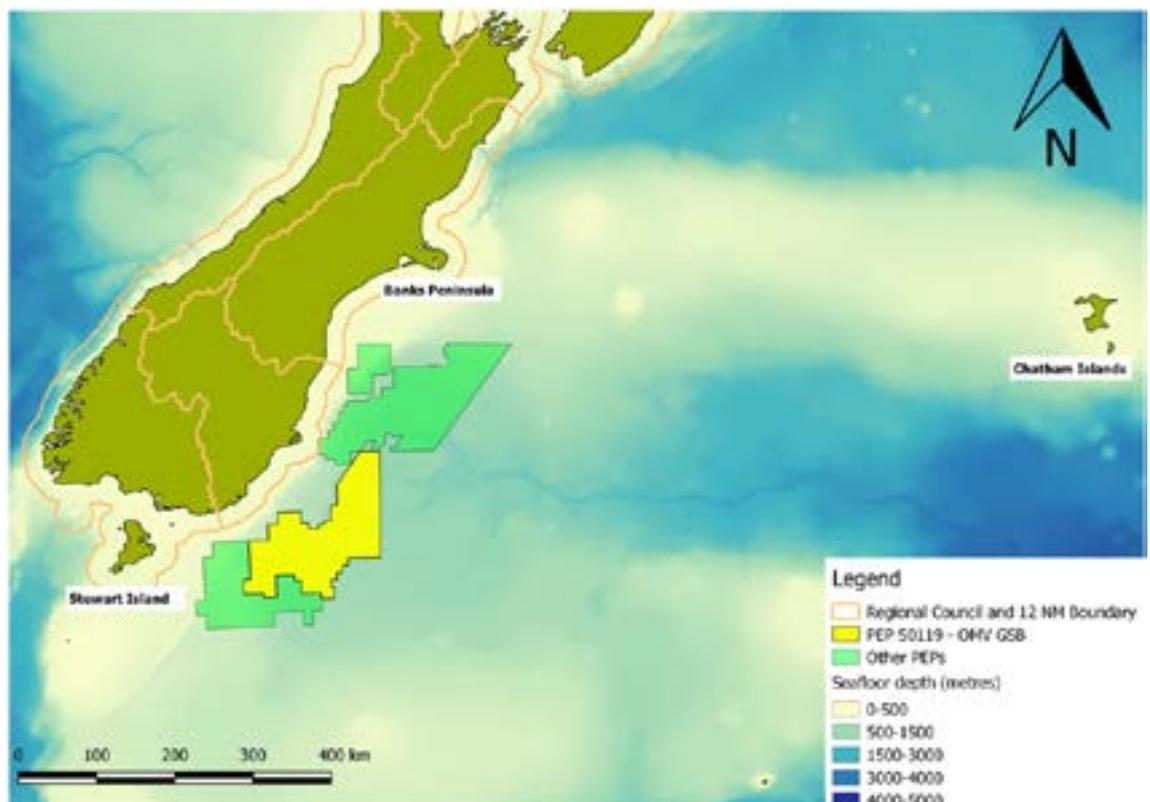
## OMV's plans for exploration

OMV plan to explore for oil and gas in the Great South Basin Petroleum Exploration Permit (PEP 50119). This is an area which is already approved for exploration by the government, and is shown in yellow on the map below (Figure 1).

The water in PEP 50119 is an average of 1,300 m deep, and the area is almost 17,000 km<sup>2</sup>.

If OMV receives all the necessary approvals from us, the EPA, and other government agencies, then it can begin oil and gas exploration drilling and appraisal activities in PEP 50119.

OMV already has some information about the seafloor, and what lies beneath it. This is what OMV will use to choose where it will drill each of three proposed exploration wells. Exploration wells are used to test for the presence of oil and gas under the ocean floor. To drill an exploration well, OMV will need to use a specially designed ship, or a drilling platform (Figure 2). Due to the depth of the permit area, OMV's drilling unit will not place any anchors on the seafloor, it will self-stabilize using on-board dynamic positioning systems.



**Figure 1**  
Map showing the location of the Great South Basin petroleum exploration permit (PEP) 50119 in yellow. Other PEPs along New Zealand's southeast coast are shown in green.

## What will happen if OMV find oil or gas

If an exploration well shows there is oil or gas, OMV will drill 'appraisal' wells. Appraisal wells are used to test how much oil or gas is present, and how far the reservoir of hydrocarbons extends. This will allow OMV to determine if it is enough there to invest in extracting the oil and gas reserves.

## The environmental impact of ocean drilling

An exploration or appraisal well can be up to 10 centimetres wide and two kilometres deep. Some rock and sand will be deposited on the seafloor as a result of drilling the wells (these are called cuttings).

Small amounts of some chemicals may also be discharged into the water, as a result of the drilling and other activities onboard the drilling ship or platform. There will also be vibrations in the water column from the drilling.



## OMV will need approvals from the EPA and others

Before OMV can begin drilling the seafloor, and before they can discharge any chemicals into the sea as a result of that drilling, OMV need permission from us, the EPA.

OMV will need:

1. A discharge consent for discharges from deck drains from the drilling rig — this will be 'publicly notified', meaning the EPA must notify the public when it receives an application for this consent. It also means that the EPA must allow people to submit relevant information for consideration while a decision is made about whether to issue the consent.
2. A consent for the drilling of exploration and appraisal wells. The public are not notified about applications for this sort of consent (called a non-notified consent). However some parties are given a copy of the application if the EPA considers they may be affected by the proposed activities.
3. A non-notified discharge consent for any other discharges from the drilling unit, other than deck drains.
4. An emergency spill response plan (ESRP): this plan sets out the safe storage, handling and spill management of any harmful substances involved in the operation. The EPA must approve the plan before the operation can take place.
5. OMV will also need approvals from other agencies, such as WorkSafe New Zealand, the Ministry of Primary Industries (for biosecurity clearance), Land Information New Zealand (for notices to mariners), and Maritime New Zealand (for oil spill contingency plans).

**Figure 2**  
Semi-submersible  
drilling unit.

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