27 March 2008

KUPE DEVELOPMENT WELLS DISCLOSURE NOTICE

New Zealand Oil & Gas Ltd (NZOG) advises that as at 14:00 hours on 26 March the 5 inch liner had been set and cemented in the 8-1/2 inch well bore on the Kupe South 8 (KS-8) well.

The well will now be temporarily suspended and the rig moved to Kupe South 7 (KS-7) to drill and evaluate the reservoir section.

The Kupe Project drilling campaign is being undertaken on a "batch-drilling" basis. This process involves completing the same section of each of the three wells before proceeding to the subsequent section and is a more efficient approach than drilling the wells separately.

Drilling began at 22:40 hours on 19 December 2007. Progress of all three development wells is summarised as follows:

	22 inch	17 inch	12-1/4 inch	8-1/2 inch
KS-6	560m	2,000m	2,895m	3,385m
KS-7	566m	2,000m	3,116m	
KS-8	568m	2,184m	3,429m	3,834m

Depths are cumulative and show total well depth.

The Kupe Project is located within permit PML38146 in the offshore Taranaki Basin, New Zealand, approximately 30km off the coast. The development will comprise production wells tied into an unmanned offshore platform, a 30 km pipeline to shore, and an onshore processing station. The Kupe Project is expected to be completed by mid-2009 and produce approximately 254 petajoules of natural gas, 1.1 million tonnes of LPG and 14.7 million barrels of light oil (condensate).

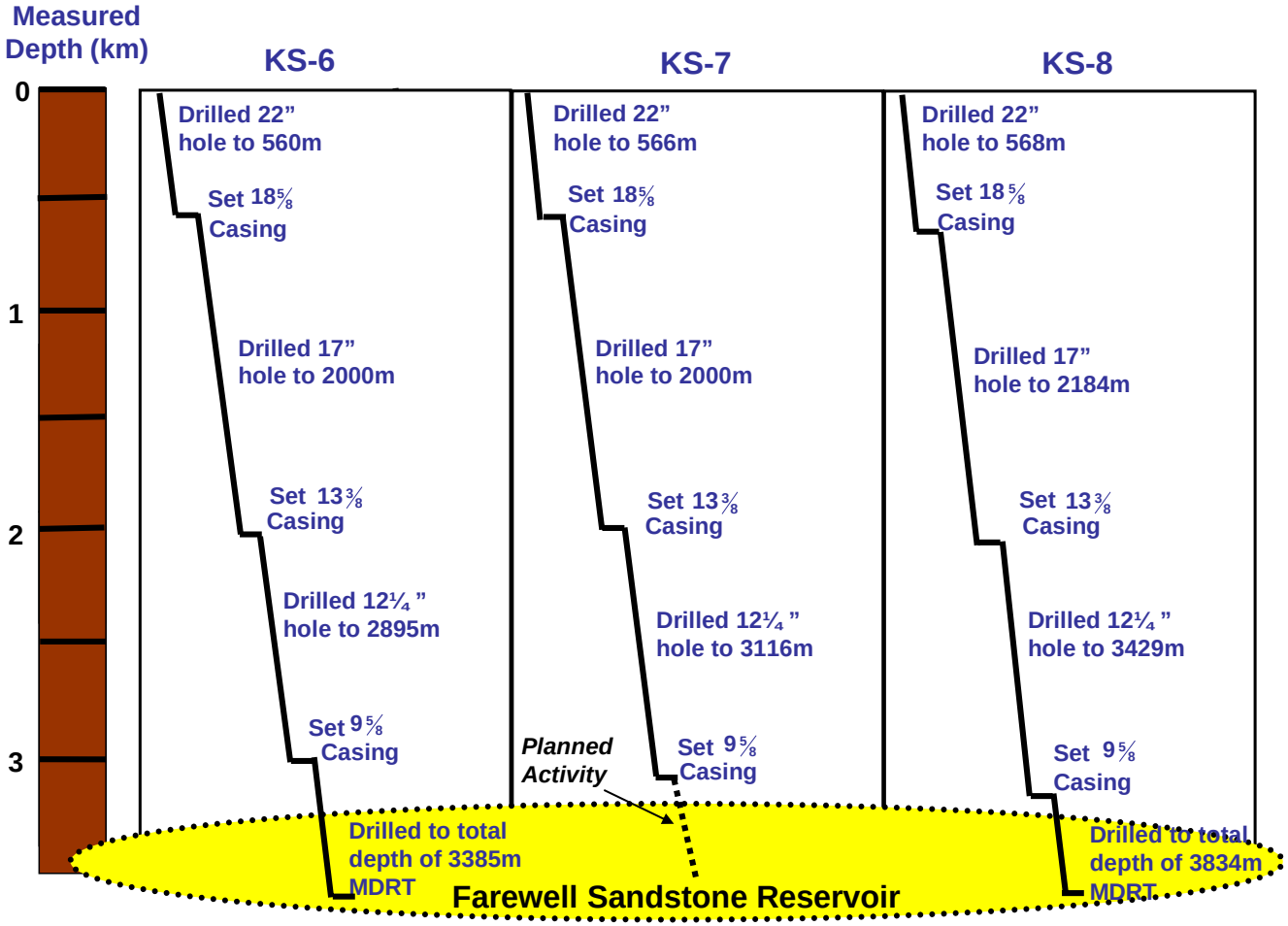
Attached: Graphic depiction of drilling progress to date.

Participants in the Kupe Gas Project are:

Origin Energy Limited (through its subsidiary Origin Energy Resources (Kupe) Limited)	50% (Operator)
Genesis Energy (through wholly owned subsidiaries)	31%
New Zealand Oil & Gas Limited (through wholly owned subsidiaries)	15%
Mitsui E&P Australia Pty Ltd	4%

FOR FURTHER INFORMATION PLEASE CONTACT:

Chris Roberts
Public Affairs Manager
NZOG
Telephone: (04) 495 2424 Toll free 0800 000 594

NZOG stock symbols: NZX shares - NZO options - NZOOD
ASX shares - NZO options – NZOO

Kupe Development Wells Drilling Progress as at: **26 Mar 2008**