22 May 2008

KUPE DEVELOPMENT WELLS DISCLOSURE NOTICE

New Zealand Oil & Gas Ltd (NZOG) advises that as of 14:00 hours on 21 May, completion operations were being finalised on Kupe South 8 (KS-8). Over the past week the 5 inch liner was cleaned out and the well displaced to completion fluid prior to running a cement bond evaluation log. The 5-1/2 inch production tubing and down-hole monitoring equipment have been installed and control lines are currently being terminated at the wellhead.

Upon finishing this operation, the production tree will be installed and batch testing of the three production wells will begin, commencing with KS-8. Batching testing is expected to take around one week. The three wells will then be shut-in before the rig is moved to drill the Momoho exploration well.

Drilling of the three development wells began at 22:40 hrs on 19 December 2007. All three wells have reached their target depths.

	22 inch	17 inch	12-1/4 inch	8-1/2 inch	6-1/8 inch
KS-6	560m	2,000m	2,895m	3,385m	
KS-7	566m	2,000m	3,116m	3,454m	
KS-7 ST1					3,503m
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.

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%

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