



11 September 2007

NZOG'S TARANUI-1 DRILLING REPORT

New Zealand Oil & Gas Ltd ("NZOG") reports that the Taranui-1 well is being plugged and abandoned and at 0600 hours today was completing operations prior to the release of the drilling rig from the Taranui location.

During the week, a comprehensive suite of wireline logs were successfully completed, including pressure testing and fluid sampling of both the Kapuni F and D Sands. A small volume of oil was recovered from the Kapuni D sands during this sampling programme. The data is still being reviewed, but initial indications are that these zones will not be commercially significant.

ENDS

Participants in PMP 38158 are:

New Zealand Oil & Gas Ltd (through its subsidiary Stewart Petroleum Co. Ltd)	12.5%
AWE * (Operator)	42.5%
Mitsui E & P New Zealand Ltd	35.0%
Pan Pacific Petroleum NL (through its subsidiary WM Petroleum Ltd)	10.0%

* New Zealand Overseas Petroleum Pty Ltd (22.5%)
AWE New Zealand Pty Limited (20.0%)

FOR FURTHER INFORMATION PLEASE CONTACT:

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

drilling report