



4 September 2007

NZOG'S TARANUI-1 DRILLING REPORT

New Zealand Oil & Gas Ltd ("NZOG") reports that at 0600 hours today, the Taranui-1 well was preparing to run wireline logs at a measured depth of 3,915 metres. Progress for the week was 1,395 metres.

The objective Kapuni Formation D and F Sands have been intersected, and encountered minor oil shows at both levels. Wireline evaluation of these zones is still in progress, but logs recorded while drilling indicate that there are no potentially productive intervals present. When operations at Taranui-1 are completed, the well will be plugged and abandoned.

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:

David Salisbury or Helen Mackay

Telephone: (04) 495 2424 Toll free 0800 000 594

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

drilling report