



6 February 2007

NZOG's Tui-2H DRILLING UPDATE

New Zealand Oil & Gas Limited ("NZOG") reports that as at 0600 hours today, the Tui-2H well had reached its final total depth (vertical and horizontal) of 5,950 metres and was being prepared for completion operations. Progress for the week was 1,850 metres.

During the week, the well was drilled from a measured depth of 4,100 metres at a near horizontal angle to 5,950 metres following the top of the oil reservoir. The vertical oil column encountered along the length of this well path varied from approximately 7 metres to approximately 20 metres. Tui-2H will be completed as a producing well for subsequent subsea tie back to the Tui FPSO vessel.

"Measured depth" is the length of the wellbore, as if determined by a measuring stick, which differs from the true vertical depth in a directionally drilled well.

The Tui Area Development is located within PMP 38158, in the Taranaki basin, approximately 50 kilometres offshore of the west coast of the North Island of New Zealand. First oil is expected from the development by June 30, 2007, and when fully commissioned, a production rate peaking at 50,000 bopd is anticipated.

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:

Gordon Ward 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