For personal use only

07 August 2007

NZOG'S Hector-1 drilling report

New Zealand Oil & Gas Limited ("NZOG") reports that at 0600 hours today, the Hector-1 well was drilling ahead at a measured depth of 3,110 metres. Since report time, the primary target of the well, the Kapuni "C" Sand, has been intersected without encountering any significant hydrocarbon shows. Progress for the week was 1,604 metres. The well will be drilled to its planned total depth of 3,870 metres to evaluate the deeper Kapuni D and Kapuni F10 reservoir targets.

Hector-1 is the first well of two well explorations to be drilled by NZOG in the offshore Taranaki basin this year. After Hector-1, the Taranui-1 well will be drilled.

ENDS

Participants in PEP 38483 are:

New Zealand Oil & Gas Ltd (through its subsidiary Stewart Petroleum Co. Ltd)	18.9%
Australian Worldwide Exploration Limited (Operator)	44.3%
Mitsui E & P New Zealand Ltd	22.7%
Pan Pacific Petroleum NL (through its subsidiary WM Petroleum Ltd)	14.1%

FOR FURTHER INFORMATION PLEASE CONTACT:

David Salisbury
CEO and Managing Director

or

Helen Mackay
General Counsel

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

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

drilling report