



03 January 2008

KUPE DEVELOPMENT WELLS DISCLOSURE NOTICE

New Zealand Oil and Gas Ltd advises that at 14:00 hours (NZ time) on 02 January, the 17 inch hole section of the Kupe South 6 (KS-6) well had reached the planned total depth of 2,000 metres MDRT (measured depth from rotary table).

A wiper trip is currently underway to condition the hole prior to running and cementing the 13-3/8 inch casing. Upon completion, the 17 inch hole sections of the KS-7 and KS-8 wells will be drilled and cased prior to commencement of the subsequent 12-1/4 inch sections.

Drilling of the Kupe development wells began at 22:40 hours on 19 December 2007. The 22 inch top hole sections of all three development wells have been completed to the following depths: KS-6 560m MDRT, KS-7 566m MDRT, KS-8 568m MDRT.

Each of the three wells will be drilled by the Ensco-107 jack-up rig to a vertical depth of approximately 3,400 metres.

The Kupe Project drilling campaign is being undertaken on a "batch-drilling" basis. This process involves completing the same section of each of the three wells before proceeding to the subsequent section and is a more efficient approach than drilling the wells separately. Drilling of the three wells is expected to take around five months to complete.

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).

ENDS

Participants in the Kupe Gas Project are:

Origin Energy Limited (through its subsidiary Origin Energy Resources (Kupe) Limited)	50% (Operator)
Genesis Energy	31%
New Zealand Oil & Gas Limited	15%
Mitsui E&P Australia Pty Ltd	4%

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NZOG stock symbols: NZX shares - NZO options - NZOOD
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