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TUI ENDS YEAR WITH RECORD MONTH

New Zealand Oil and Gas Limited (NZOG) reports that the Tui Area Oil Fields achieved a record month of production in December.

NZOG holds a 12.5% interest in Tui, which is situated 60 km off the Taranaki coast.

Production from Tui began on 30 July 2007. By 31 December 2007, approximately 6.4 million barrels of oil had been produced, at an average rate of production of more than 41,000 barrels a day.

In November, technical modifications to the production facility were completed, allowing daily production rates to increase. As a result a monthly production record of approximately 1.5 million barrels was achieved in December; an average of over 48,000 barrels a day.

Tui oil is a light sweet crude that is generally sold against the regional Tapis benchmark crude, with differentials for freight and quality. During December the Tapis benchmark averaged around US\$95 a barrel.

The oil is shipped to refineries on the east coast of Australia or in south-east Asia. The tanker Ocean Pluto is today being loaded with 350,000 barrels.

In November 2007 proved and probable (2P) reserves in the Tui Area Oil Fields were upgraded by the operator to 41.7 million barrels, almost 50% higher than the estimated reserves of 27.9 million barrels on which the project was sanctioned.

ENDS

Participants in Tui Area Oil Fields are:

Australian Worldwide Exploration Ltd (Operator)	42.5%
New Zealand Oil & Gas Ltd	12.5%
Mitsui E & P Australia Pty Ltd	35.0%
Pan Pacific Petroleum NL	10.0%

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

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