



12 May 2008

MOMOHO EXPLORATION WELL DISCLOSURE NOTICE

Drilling of the Momoho exploration well, contained within the Kupe Permit 38146 in offshore Taranaki, is scheduled to begin in late May following completion of the Kupe development wells.

A recent general release by another JV participant contained information on Momoho and as a consequence of this NZOG believes its internal assessments should be provided to shareholders.

The Momoho exploration well location is approximately 5.5kms from the Kupe field development and production platform. The Momoho prospect sits between the exploration well KS-4, which was a gas/light oil discovery, and KS-5, another discovery, which flowed principally oil with some gas. The hydrocarbon/water contacts for KS-4 and KS-5 exploration wells were at quite different depths. This has a significant influence on the potential quantity of oil/gas in the reservoir. This issue, along with other geological factors, results in a wide range of potential outcomes for Momoho, including that no hydrocarbons, or sub-commercial volumes, are present.

NZOG expects that the Momoho exploration prospect will contain a combination of gas and liquids (oil and LPGs). Using a probabilistic assessment of geological factors, NZOG's estimate of recoverable resources is 200 BCF equivalent (combining gas, oil and LPG estimates) determined at the P50 level (as likely as not) and assuming that the Momoho exploration well discovers hydrocarbons.

In the event that Momoho is a commercial discovery a development may be possible via the Kupe infrastructure.

ENDS

Attachment: Map of the Momoho prospect

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
ASX shares - NZO options - NZOO

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