



29 March 2005

TARANAKI BASIN 3D SEISMIC SURVEY PROGRAMME COMMENCES

New Zealand Oil & Gas is pleased to advise that the first stage of the recently announced seismic survey programme has commenced with the Tui Extension 3D survey in PEP 38460.

This comprises approximately 80 square kilometers of new seismic to extend the original survey, which was completed in 2003. The new survey will assist in defining the extent of the Pateke oil discovery, which is part of the Tui Area oil development currently proceeding through the Front End Engineering and Design stage.

The second stage, immediately following the Tui Extension survey, will see the joint venture partners in adjacent PEP 38483 acquire approximately 420 square kilometers of new 3D seismic over the Hector Prospect Area. This area is considered highly prospective due to a combination of the favourable reservoir development within the Kapuni "F" sand and the prime location for oil charge from the adjacent Kahurangi Trough.

The two surveys are expected to be completed by the end of April, and will assist in selecting future drilling candidates for the two joint ventures in this very prospective acreage.

Upon the completion of the farm-out to Mitsui, the equities in the two Taranaki Basin blocks will be:

PEP 38483

New Zealand Oil & Gas Limited (via subsidiary Stewart Petroleum Company Limited)	18.864%
AWE New Zealand Pty Ltd (Operator)	44.317%
Mitsui E&P New Zealand Limited	22.728%
WM Petroleum Limited (Pan Pacific Petroleum NL)	14.091%

PEP 38460

New Zealand Oil & Gas Limited (via subsidiary Stewart Petroleum Company Limited)	12.5%
New Zealand Overseas Petroleum Limited (Operator)	45.9%
AWE New Zealand Pty Limited	20.0%
Mitsui E&P New Zealand Limited	12.5%
WM Petroleum Limited (Pan Pacific Petroleum NL)	10.0%

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NZOG stock symbols: NZX shares - NOG
ASX shares - NZO