



22 November 2006

NZOG'S TIEKE-1 EXPLORATION WELL COMMENCES DRILLING

New Zealand Oil & Gas Ltd ("NZOG") reports that the Tieke-1 exploration well commenced drilling at 02:30 hours on November 22, 2006. At 06:00 hours today the well was preparing to run and cement 30" conductor casing at a measured depth of 229 metres.

Tieke-1 is located in PMP 38158, 40 km offshore from Taranaki and approximately 8 km from the Tui oil field (see map attached). The well will be drilled to a planned total depth of 3,600 metres, in a water depth of 122 metres and is expected to take 18 days on a 'trouble free' basis.

Following completion of operations at Tieke-1, the offshore drilling rig *Ocean Patriot* will commence the development drilling activities on the adjacent Tui Area Development.

Participants in Tieke-1 and PMP 38158 are:

New Zealand Oil & Gas Ltd (through its subsidiary Stewart Petroleum Co Ltd)	12.5%
AWE New Zealand Pty Limited ("AWE")	20.0%
New Zealand Overseas Petroleum Pty Ltd ("AWE")	22.5%
Mitsui E & P New Zealand Limited	35.0%
Pan Pacific Petroleum Ltd (through its subsidiary WM Petroleum Ltd)	10.0%

FOR FURTHER INFORMATION PLEASE CONTACT:

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



Tui Area Development PMP 38158

PML 38158

Pateke-3H

Pateke-2

Amokura-2H

FPSO

Tui-3H

Tui-2H

Kiwi-1

Tui-4H

Taranui Prospect

Oi Prospect

Kahu Prospect

Tieke Prospect

- Subsurface Flowlines
- - - Planned Well Path
- Completed Oil Well
- Development wells
- Exploration Well
- ⊕ Prospects and Leads
- ⊗ Oil Field

