

5 March 2010

Drilling to start at Hoki

NZOG (New Zealand Oil & Gas Ltd) advises that the Kan Tan IV drilling rig is on location and is preparing to start drilling the Hoki-1 exploration well.

The Hoki-1 well is located in exploration permit PEP 38401 in the offshore Taranaki Basin.

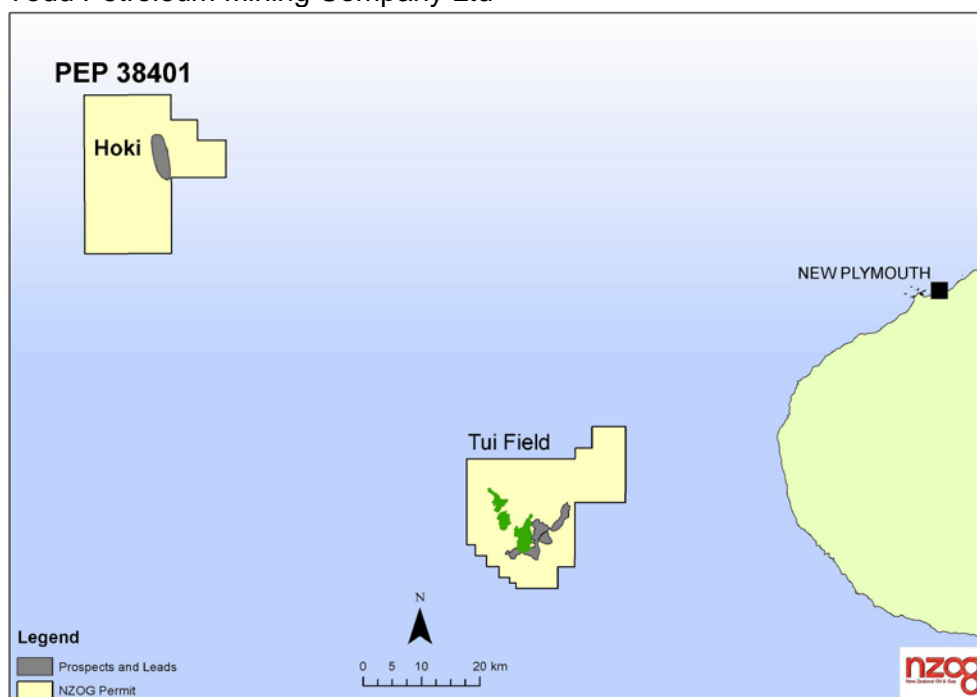
The Kan Tan IV is a semi-submersible drilling rig that has been secured at the Hoki-1 location after being towed to Taranaki waters from the Bass Strait in Australia.

The Hoki-1 well is approximately 135 kilometres west of New Plymouth and in water depth of approximately 330 metres. It is targeting the oil potential of the Cretaceous North Cape reservoir sequence and the underlying Wainui sandstones. The well is planned to be drilled to a total depth of approximately 3,570 metres.

Immediately following the Hoki-1 well, the Kan Tan IV will be used to drill at least two wells in the area surrounding the existing oil fields at Tui, where NZOG is a 12.5% partner.

Participants in Hoki-1 and PEP 38401 are:

AWE (Operator)	50%
New Zealand Oil & Gas Ltd (through its subsidiary Petroleum Resources Ltd)	10%
OMV New Zealand Pty Ltd	21.25%
Todd Petroleum Mining Company Ltd	18.75%



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NZOG stock

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