

16 March 2010

## Hoki Exploration Well Disclosure Notice

NZOG (New Zealand Oil & Gas Ltd) advises that the Kan Tan IV drilling rig has successfully completed the running and cementing of the 13-3/8" casing at 1,505 metres for the Hoki-1 well.

Subsequent to last week's drilling report, the operator of the Kan Tan IV, Maersk Drilling, advised that some essential repair work is required to ensure the ongoing safe operation of the drilling unit. This repair work was intended to be undertaken whilst the drilling rig was in transit from Australia to New Zealand but was deferred due to weather conditions. The work is primarily related to the drilling mast.

Maersk Drilling, which will meet the cost of rig time and the repair expenses, has advised that this work will take at least 7 days. The drilling of Hoki-1 will then resume.

NZOG will make a further market release when the repair work is completed and drilling restarts.

The Hoki-1 well is located in exploration permit PEP 38401 in the offshore Taranaki Basin. It lies approximately 135 kilometres west of New Plymouth and in water depth of approximately 330 metres.

Hoki-1 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 (Todd Energy)	18.75%

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#### NZOG stock

symbols:  
NZX shares – NZO  
ASX shares – NZO