



28 December 2007

KUPE DEVELOPMENT WELLS – KUPE SOUTH 6, 7 & 8 DISCLOSURE NOTICE

New Zealand Oil & Gas Ltd (NZOG) reports that the development drilling programme for the Kupe Project is making good progress.

Drilling began at 22:40 hours on 19 December 2007. The 22" top hole sections of all three development wells - Kupe South 6 (KS-6), Kupe South 7 (KS-7) and Kupe South 8 (KS-8) - have been completed to the following depths:

Kupe South 6	560m MDRT
Kupe South 7	566m MDRT
Kupe South 8	568m MDRT

At 14:00 hours today, the 17" hole section of the Kupe South 6 well (KS-6) had reached a bit depth of 975m MDRT (measured depth from rotary table). The 17" hole section of KS-6 will be drilled to approximately 2000m MDRT where the hole will be cased and cemented, prior to drilling the 17" hole sections of the KS-7 and KS-8 wells.

Each of the three production wells will be drilled by the ENSCO 107 jack-up drilling rig to a vertical depth of approximately 3400 metres.

The Kupe Project drilling campaign is being undertaken on a "batch-drilling" basis. This process involves completing the same section of each of the three wells before proceeding to the subsequent section and is a more efficient approach than drilling the wells separately. Drilling of the three wells is expected to take around five months to complete.

The Kupe Project is located in the mining permit PML 38146 in the offshore Taranaki Basin, New Zealand, approximately 30km off the coast. The development will comprise production wells tied into an unmanned offshore platform, a 30 km pipeline to shore, and an onshore processing station. The Kupe Project is expected to be completed by mid-2009 and will produce approximately 254 petajoules of natural gas, 1.1 million tonnes of LPG and 14.7 million barrels of light oil (condensate).

Participants in the Kupe Gas Project are:

Origin Energy Resources (Kupe) Limited (a wholly owned subsidiary of Origin Energy Limited) (Operator)	50%
Wholly owned subsidiaries of Genesis Energy	31%
New Zealand Oil & Gas Limited (through its subsidiaries National Petroleum Ltd. 12.75%, Petroleum Equities Ltd. 1.25% and Nephrite Enterprises Ltd. 1.00%)	15%
Mitsui E&P Australia Pty Ltd	4%

FOR FURTHER INFORMATION PLEASE CONTACT:

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

disclosure notice