

news release

11 March 2014

Pateke-4H drilling update

The operator of the Pateke-4H well in the Tui oil fields offshore Taranaki has provided an update on drilling progress.

At 06:00AM NZDT today the well had been drilled to a total measured depth of 4,110 metres.

Following the penetration last week of the Kupuni F sand, where oil shows and real time logging measurements indicated the likely presence of an oil bearing reservoir, removal of the 12 ¼ inch drilling assembly has experienced mechanical drill string difficulties, which are currently being addressed.

If remedial actions are unsuccessful, a short section of the well may need to be redrilled as a sidetrack operation. The development program then allows for the installation of the 9 5/8 inch casing, after which drilling will continue in the new hole, through the reservoir section, to a projected total measured depth of 5,361 metres.

Pateke-4H is a northern extension of the existing Pateke reservoir in the producing Tui area oil fields in PMP 38158, approximately 50 kilometres off the coast of Taranaki, New Zealand, in water depth of about 124 metres.

New Zealand Oil & Gas has 27.5 per cent interest in Tui.

The other Tui joint venture partners are:

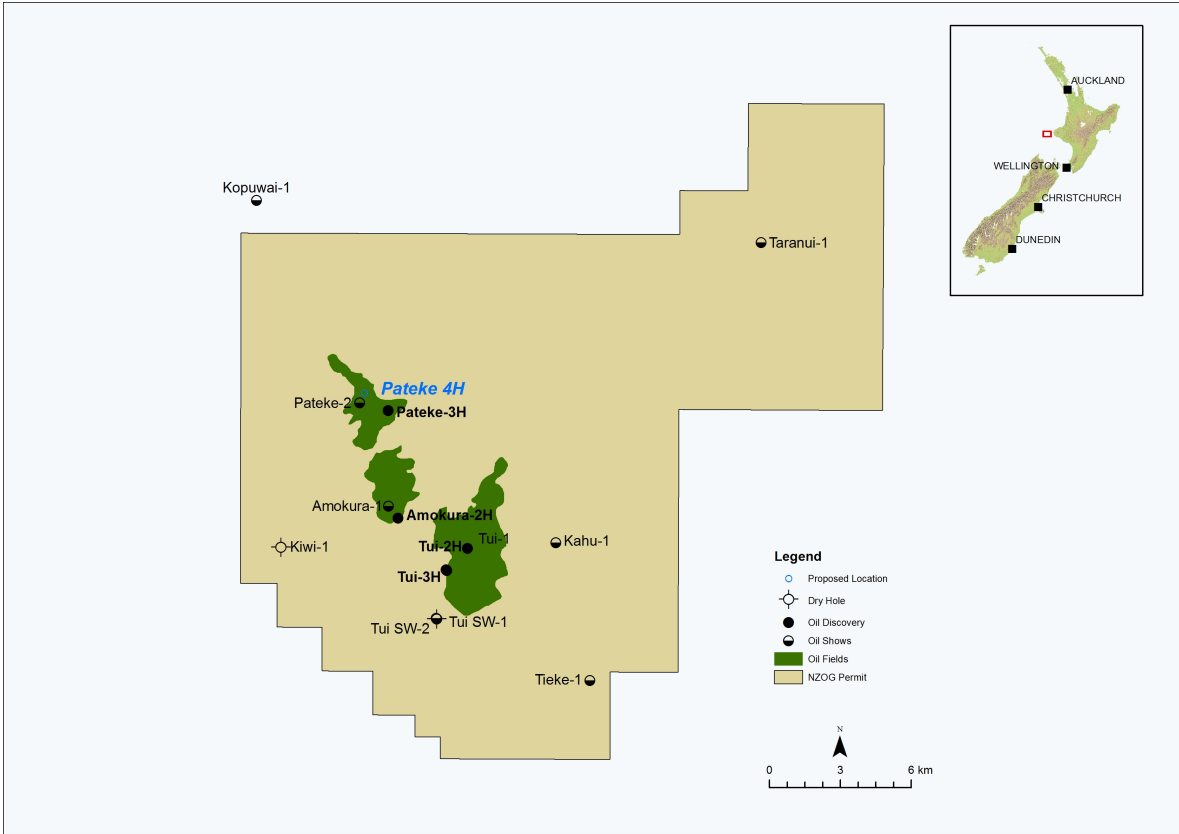
AWE Limited (via subsidiaries) (Operator)	57.5%
Pan Pacific Petroleum (via subsidiaries)	15.0%

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NZOG stock symbols:

NZX shares – NZO
ASX shares – NZO



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