

12 February 2013

Drilling underway at Kisaran

Drilling is underway at exploration well Parit Minyak-2 (PM-2) located in onshore Sumatra, Indonesia.

New Zealand Oil & Gas Ltd has a 22.5 per cent stake in the joint venture through its subsidiary NZOG Asia Pty Ltd. The well in the Kisaran Production Sharing Contract is the first New Zealand Oil & Gas has been involved with outside New Zealand.

The Kisaran Joint Venture partners are Pacific Oil & Gas (55 per cent and operator) and Pacific Oil & Gas (Sumatera) Ltd, a subsidiary of Bukit Energy Inc. (22.5 per cent).

The well was spudded at 10.30PM last night local time.

The well is expected to take around 45 days to drill. It will appraise an undeveloped oil discovery made in 2006, and explore additional zones that were not present in that well.

A second well, PM-3, also in the Kisaran block, is planned immediately following operations at PM-2.

Attached: Map of Kisaran Production Sharing Contract.

