

news release

7 April 2015

Production begins at Pateke-4H well

The subsea tie-back and installation project to connect the Pateke-4H well to the Tui area oil fields in PMP 38158 has been successfully completed and oil production has commenced, the operator has advised.

The Pateke-4H well has been brought onto production and flow testing is under way to determine the optimal well settings. The well recorded an initial unstabilised flow rate of 34,000 bopd at 67 per cent choke with a 48 per cent water cut, which is in line with field modelling.

Looking ahead, it is planned to test various facility parameters, including choke settings, before establishing a much lower stabilised flow rate for long-term production. It is forecast that oil production from the well will then decline relative to the increasing water cut in the well.

The Pateke-4H subsea tie-back and installation project commenced on 5 March 2015. The project involved the installation of 1,312 metres of flexible flow line, a gas lift umbilical and production manifold, integrated controls and ancillary equipment in water depths of about 124 metres. All infrastructure was successfully tested and commissioned prior to starting production.

The tie-back and installation was completed with no safety or environmental incidents.

The Tui area oil fields and the Floating Production Storage and Offloading vessel, Umuroa, were shut in for the duration of the tie-back project. During the shut-in period, a planned program of facility inspections and maintenance was conducted.

New Zealand Oil & Gas has a 27.5 per cent interest in PMP 38158 via subsidiaries. The joint venture are AWE Limited (via subsidiaries) (Operator), 57.50 per cent; and Pan Pacific Petroleum (via subsidiaries), 15 per cent.

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NZOG stock symbols:

NZX shares – NZO
ASX shares – NZO