

news release

25 February 2014

Pateke-4H drilling update

The operator of the Pateke-4H well in the Tui oil fields offshore Taranaki has advised that the well was at a measured depth of 1507 metres at 6.00AM NZDT today.

13 3/8 inch casing has been run and cemented with the casing shoe set at 1,504 metres. A subsea tree has been successfully installed, pressure tested and function tested. The Blow Out Preventer (BOP) is currently being run and will be tested before drilling of the next section commences.

Preparations are being made for drilling a 12 1/4 inch section to a TD of 4,100 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.

Drilling began on 10 February. The well is expected to take around two months to drill to a planned total measured depth of 5,361 metres, including a 1,271 metre horizontal section.

In the event that commercial volumes are discovered the well will be completed and later tied into the existing Tui production facilities. Production of first oil would be in 2015.

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

The other Tui joint venture partners are:

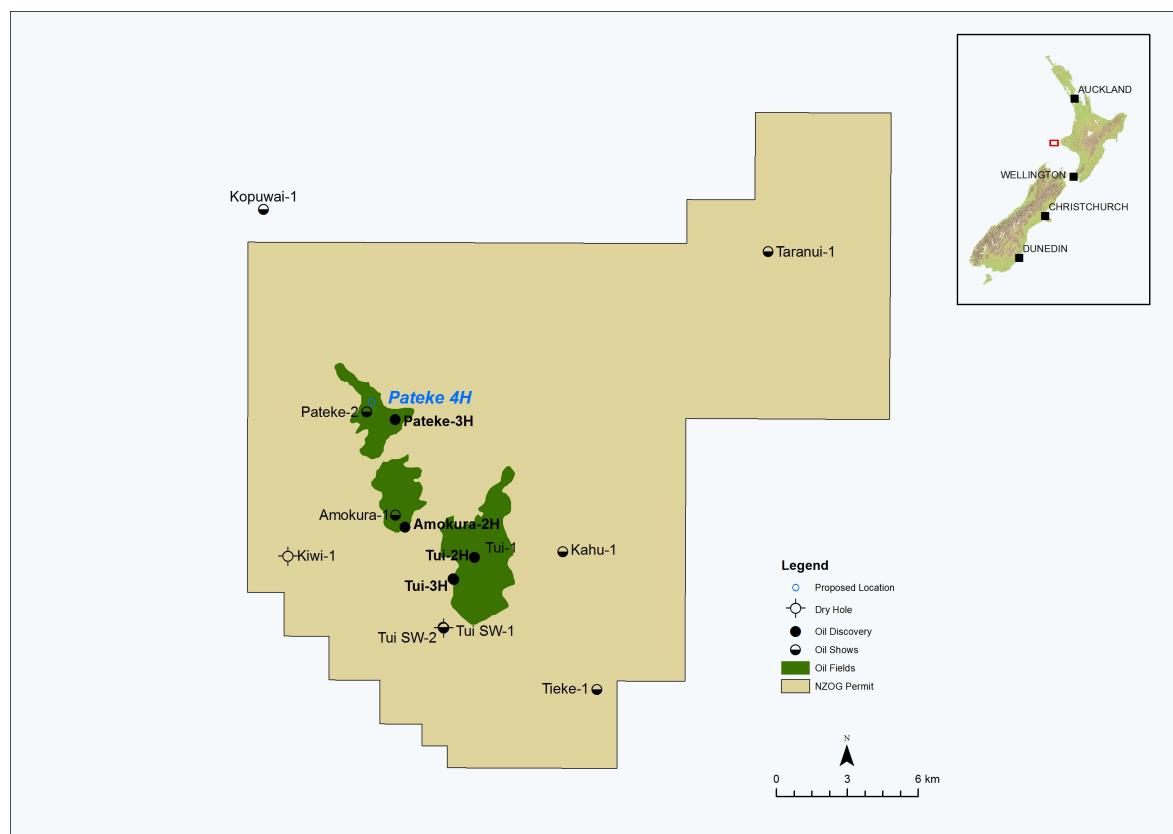
AWE Limited (via subsidiaries) (Operator)	57.5%
Pan Pacific Petroleum (via subsidiaries)	15.0%

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NZOG stock symbols:

NZX shares – NZO
ASX shares – NZO



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