

news release

20 May 2014

Pateke-4H Weekly Update

The Pateke-4H well in PEP 38158, offshore Taranaki, has been successfully completed and suspended for production at a later date, the operator has advised.

Production from Pateke-4H is planned for the first half of 2015 following the installation and commissioning of a sub-sea flow-line and ancillary control equipment connecting the well to the Tui Field gathering system. This work is scheduled to begin in the first quarter of 2015.

Preparations are being made to relocate the Kan Tan IV semi-submersible drilling rig to the northeast of the Tui field to the Oi-1 exploration well location.

On current planning Oi-1 is expected to commence drilling during the last week of May. The operator will make a further announcement then. New Zealand Oil & Gas advises it's aware the other joint venture partner, Pan Pacific Petroleum, has released its estimate of prospective resources at Oi.

New Zealand Oil & Gas has a 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%

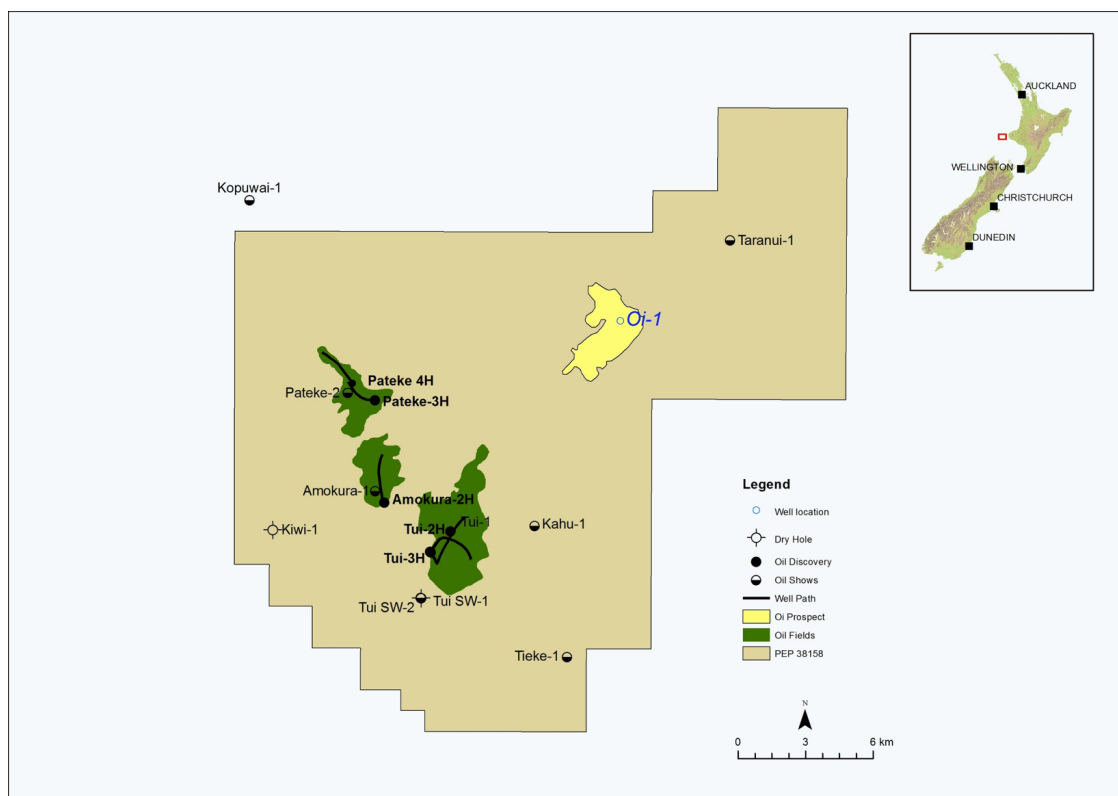
AWE and New Zealand Oil & Gas are participating in the Oi well at reduced equities of 31.25 per cent and 18.75 per cent respectively, with the option to restore their full equities in any development subject to their reimbursement of pro-rata costs and payment of a buy-back premium.

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NZOG stock symbols:

NZX shares – NZO
ASX shares – NZO



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