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media release

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RECORD OIL PRODUCTION FROM TUI

Production from the Tui Area Oil Project off the Taranaki coast has set new records.

Last week oil production from the field totalled 345,117 barrels, an average of 49,302 barrels a day. This is the highest weekly production total to date.

On 21 November a one day record of 56,467 barrels was achieved.

Since the start of production on 30 July 2007, the Tui Area Oil Project has produced approximately 4.7 million barrels of oil. 4.5 million barrels has been shipped, mainly to refineries on the east coast of Australia. The next shipment is due in early December.

These exports have contributed to record New Zealand trade figures for August, September and October. Economists are predicting that Tui production will add 0.3 percent to New Zealand's GDP in the September quarter.

Proved and probable (2P) reserves in the Tui Area Oil Fields have been upgraded by the operator to 41.7 million barrels, almost 50% higher than the estimated reserves of 27.9 million barrels on which the project was sanctioned.

Estimated production for the 2007/08 year has been increased from 10 to at least 11 million barrels.

New Zealand Oil and Gas Ltd (NZOG) has a 12.5% share of the Tui Area Oil Project.

ENDS

Participants in Tui Area Oil Fields are:

New Zealand Oil & Gas Ltd (through its subsidiary Stewart Petroleum Co. Ltd)	12.5%
AWE * (Operator)	42.5%
Mitsui E & P Australia Pty Ltd	35.0%
Pan Pacific Petroleum NL (through its subsidiary WM Petroleum Ltd)	10.0%

* New Zealand Overseas Petroleum Pty Ltd (22.5%)
AWE New Zealand Pty Limited (20.0%)

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NZOG stock symbols: NZX shares - NZO options - NZOOD
ASX shares - NZO options – NZOO