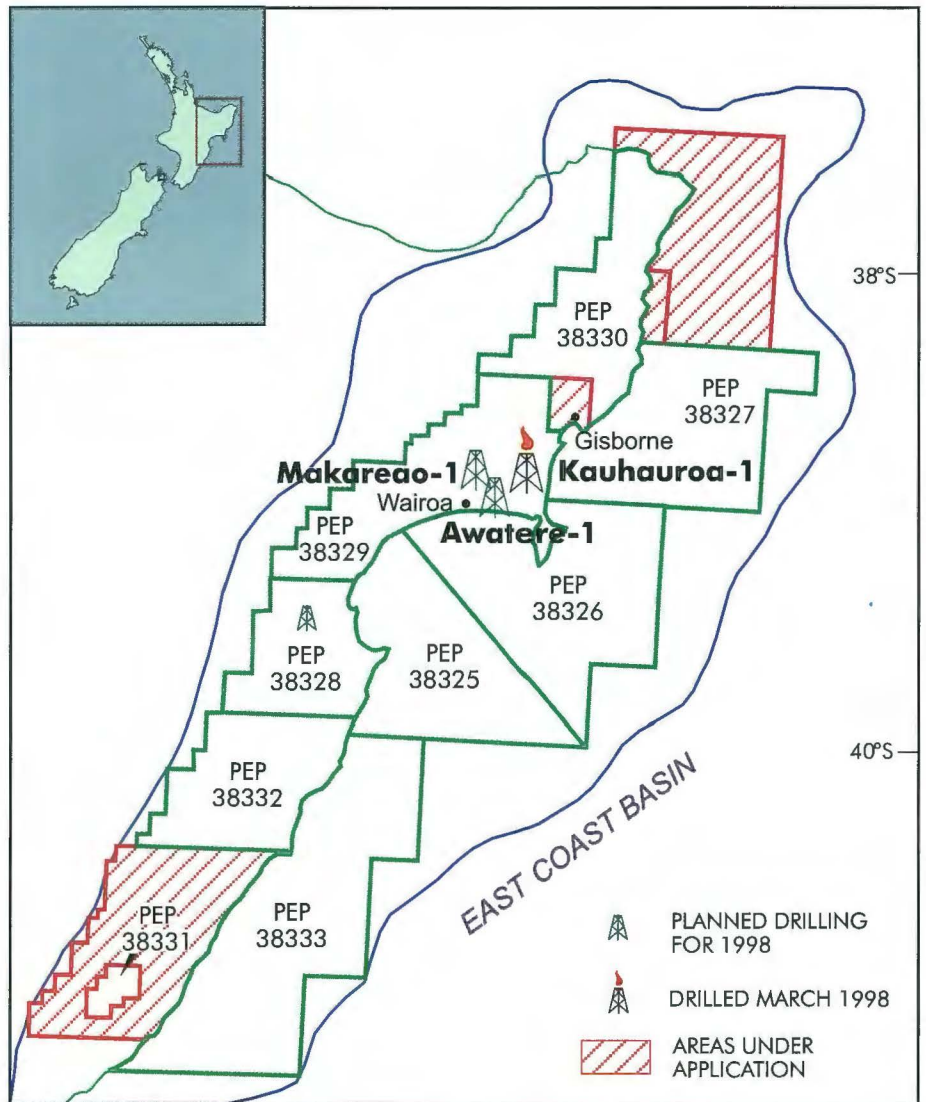


New Zealand Gas Flows



**K**evin Johnson, CEO of Enerco New Zealand, has confirmed gas flows from Kauhauroa-1 well in the East Coast Basin, North Island.

Enerco and its joint venture partner, Westech Energy Corporation, announced that Kauhauroa-1 flowed at a stabilised rate of 11.5 mmscf per day, with a 2100 psi flowing tubing pressure after 60 hours of testing. The test interval was from the Miocene Makaretu

sands and limestone at depths of 1200 - 1330 m. Calculations indicate the open-hole flow rate could be as high as 70 mmscf per day.

Kauhauroa-1 is the first test of a five well drilling programme that commenced earlier this year. The well is located approximately 10 km north of Wairoa within PEP 38329. Just south of this well, the second well of the programme, Awatere-1, has now reached its target depth (no other news yet).