



NEW STANDARD
ENERGY

18 May 2010

ASX Announcement

WILCOX DRILLING CAMPAIGN PROGRESS REPORT ON THE MOELLER #1 WELL

(ASX: NSE)

New Standard Energy Ltd (**New Standard**) advises that, as of 5PM on 17 May, 2010 (Texas time), the Moeller #1 well was drilling ahead at a depth of ~11,200 feet (~3,414 metres). The plan is to drill ahead for approximately 3 metres then run electric logs. After logging, intermediate casing will be run and cemented following which drilling will resume to the target objective.

The Moeller #1 is located in Colorado County, Texas to the South West of the main 3D seismic project area. It is the second of numerous large Wilcox prospects to be drilled in 2010 and is being drilled as a vertical well to a total depth of approximately 12,500 feet (3,810 metres).

The Moeller prospect has been mapped using modern 3D seismic as a large stratigraphic trap supported by strong amplitude and AVO anomalies which are strong hydrocarbon indicators. The Moeller prospect has the potential to contain recoverable hydrocarbons of 118 bcf of gas and 2.8 million barrels of associated condensate. Should a discovery of that scale be made, additional development wells will be required to develop the field.

In previously drilled wells in the region, the Wilcox sands in this play tend to have high porosity and permeability, so fracture stimulation (fracking) is generally not required. Analogous wells to the Moeller #1 have recovered up to 20 bcf of gas and 470,000 barrels of condensate with flow rates of 6.3 mmcf of gas per day and 170 barrels of condensate per day.

New Standard has a 38.5% working interest in Moeller #1, along with its JV partners Burleson Energy and US-based operator AKG Energy.

Further drilling updates will be provided on a weekly basis or more regularly in the event that material information arises that requires disclosure

-ENDS-

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Competent Person: *The information in this announcement is based on information reviewed by Dr Mark Hagan (BSc Hons, PhD) who is a Petroleum Geologist and Geophysicist with more than 35 years experience in the industry. Dr Hagan is Technical Director of New Standard Energy and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*



NEW STANDARD ENERGY

About New Standard: New Standard Energy is an aggressive hydrocarbon developer with a mandate to explore for oil and gas. Its exploration and drilling program is active, well funded and extensive. The company's exploration program is underpinned and complemented by targeted corporate activity to take advantage of opportunities and to build an extensive pipeline of exploration projects.

New Standard's board has extensive technical and commercial experience in the oil and gas sector.

New Standard currently has cash resources of approximately \$3.0m (including pre-paid exploration costs in the US) and is aggressively progressing its oil and gas exploration portfolio focused on the Canning Basin in Western Australia and the onshore Gulf Coast region in Texas including:

- 100% operated interest in EP's 443, 450, 451, 456 in Western Australia's Canning Basin
- 65% operated interest in EP417 in the Canning Basin
- 32.5% working interest in the Colorado County Project, onshore Texas USA
- 38.5% working interest in the Moeller Project, onshore Texas USA
- 36% working interest in the Wharton County Project, onshore Texas USA

The company is pursuing conventional hydrocarbons in the United States and conventional hydrocarbons and shale gas in Australia.

In addition to the above New Standard has indirect exposure to a broad acreage position in the Canning Basin through a liquid 10% equity interest (18m shares) in listed Canning Basin explorer Buru Energy Ltd (ASX: BRU) and is actively assessing other opportunities to complement and expand its portfolio.