



**NEW STANDARD  
ENERGY**

19 October 2010

ASX Announcement

## **HEINTSCHEL #1 FRAC BROUGHT FORWARD (ASX: NSE)**

New Standard Energy Ltd (**New Standard**) is pleased to advise that the fracture stimulation (frac) date for the Heintschel #1 well has been brought forward by one month. All necessary arrangements are now in place for the contractor (Weatherford) to undertake the frac on 26 October 2010.

The Heintschel #1 is a discovery well drilled into in the Wilcox formation in the Colorado County Project in Texas and is already tied into the sales network. As a result any enhanced flow rates of gas and condensate achieved can be flowed immediately to sales.

The frac is designed to fracture the entire 72 metre thick gas saturated interval, but will be injected into a 2.5 metre interval of Wilcox reservoir sands that lie immediately above the previously tested sand section that flowed at up to 1.4mmcf/day. This large sand package has been prepared for fracking and the well is currently shut-in awaiting the arrival of the contractor. The frac, flow-back and clean-up process is anticipated to take one day to complete.

Following clean-up, the Heintschel #1 will be opened into the sales network while being monitored. Assuming a successful result, the joint venture then plans to focus on development of the broader Heintschel structure to assess and delineate resources and reserves.

As previously advised, operator AKG has assessed the contingent recoverable resources at Heintschel as outlined below:

<b>Category</b>	<b>Potential Recoverable Gas (BCF)</b>	<b>Potential Recoverable Condensate (mmbc)</b>	<b>Number Development Wells</b>
<b>Low Case</b>	<b>25.6</b>	<b>0.465</b>	<b>4-8</b>
<b>Mid Case</b>	<b>58.9</b>	<b>1.07</b>	<b>6-16</b>
<b>High Case</b>	<b>87.7</b>	<b>1.6</b>	<b>12-24</b>

New Standard Managing Director said: "The earlier frac date is a positive development for New Standard and assuming success, it expedites the opportunity for increased production, increased cash flow and the development drilling of the broader Heintschel prospect"

"The development of the Heintschel field is clearly our major US focus and we look forward to being able to move forward on what is potentially an exciting prospect with large upside."

-ENDS-

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**Competent Person:** The information in this announcement is based on information provided to New Standard Energy by AKG Energy LP (an onshore US operator with in excess of 30 years experience) and Bursleson Energy Ltd and reviewed by Dr Mark Hagan (BSc Hons, PhD) and Mr Ian Paton who are Petroleum Geologists and Geophysicists each with more than 35 years experience in the industry. Dr Hagan is Technical Director and Mr Paton is non executive chairman of New Standard Energy and they consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.



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**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 has cash resources of approximately \$6.0m 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
- 100% operated interest in application areas 1/09-0, 2/09-0 and 5/09-0 in the Canning Basin
- 65% operated interest in EP417 in the Canning Basin
- 100% operated interest in the Merlinleigh project, onshore Carnarvon Basin Western Australia
- 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
- 32.5% interest in a license for 1,000 square miles of 3D seismic data

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