



**NEW STANDARD  
ENERGY**

**30 August 2012**

**ASX Announcement**

**NICOLAY #1 WEEKLY DRILLING UPDATE  
(ASX: NSE)**

New Standard Energy Ltd (**New Standard**) provides the following weekly drilling update for the Nicolay #1 well which details drilling operations up to 06:00hrs on Thursday 30 August 2012.

The Nicolay #1 well is the first of a three well drilling program on the Goldwyer Project in the Canning Basin and is being drilled on EP456 by MB Century Rig #14. The well is being funded under the terms of the farm-in agreement with ConocoPhillips pursuant to which ConocoPhillips are funding the first US\$13m per well. Drilling to the expected target depth (approximately 3,450m) for Nicolay #1 is expected to take approximately 55 days (drill, log and suspend) and no horizontal drilling or hydraulic fracturing will be involved in this phase of the program.

The primary objective of the Nicolay #1 well is to gather a comprehensive, modern data set over a large section of the Goldwyer formation (primary target) via a detailed program consisting of mud logging, full coring and electric wireline logs to be taken over a significant thickness of the prospective Goldwyer formation. Information regarding the secondary targets of the overlying Bongabinni and Nita formations will also be gathered.

At 06:00hrs on Thursday 30 August the Nicolay #1 well was at the first casing point at a measured depth of 858m where the 13 3/8 inch casing has been run into the hole, cemented back to surface and successfully pressure tested.

The forward operation is to complete the well control equipment testing and preparation of the bottom hole assembly in preparation for drilling out the cement shoe at current depth. Once this is completed the well will be drilled ahead in a 12 ¼ inch hole towards the second casing point which will be located just above the top of the target Nita and Goldwyer formations.

In accordance with its policy of releasing weekly drilling progress reports, New Standard expects to issue the next drilling progress report on 6 September 2012 (around midday WST), subject to any material events occurring in the meantime.

**-ENDS-**

For further information, please contact:

**Sam Willis**

**Managing Director**

Ph: + 61 8 9481 7477

email: [swillis@newstandard.com.au](mailto:swillis@newstandard.com.au)

**Cameron Morse**

**FTI Consulting**

Ph: + 61 8 9485 8888

email: [cameron.morse@fticonsulting.com](mailto:cameron.morse@fticonsulting.com)



## 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 \$40m with this cash position to be further supplemented by income being generated from the Colorado County Project in Texas and cash calls pursuant to the ConocoPhillips farm-in agreement. The Company is primarily focused on aggressively progressing its oil and gas exploration portfolio focused on the onshore Canning and Carnarvon Basins in Western Australia. The portfolio includes:

- 100% (diluting to 25%) operated interest in EP's 443, 450, 451, 456 in Western Australia's Canning Basin
- 100% (diluting to 25%) operated interest in application areas 1/09-0, 2/09-0 and 5/09-0 in the Canning Basin
- 65% (diluting to 50%) operated interest in EP417 in the Canning Basin
- 60% operated interest in the Seven Lakes SPA area 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

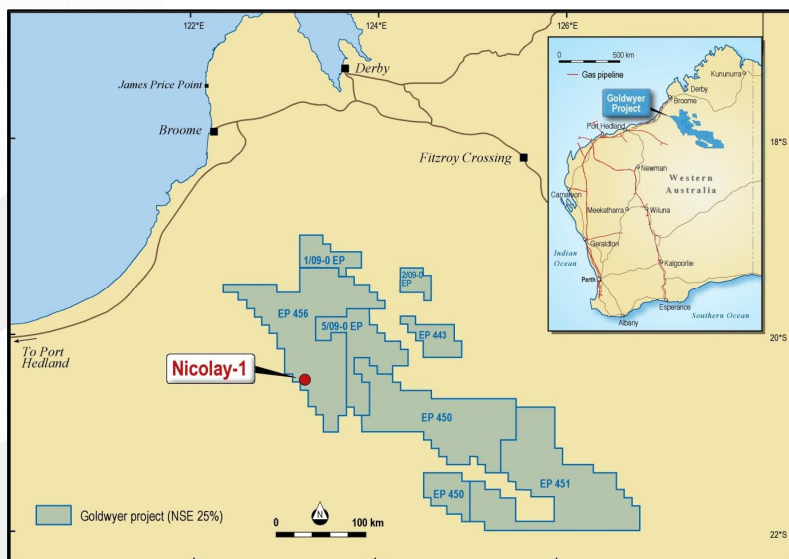
In addition to the above portfolio, New Standard has a liquid equity interest (10m shares) in ASX listed Canning Basin explorer Buru Energy Ltd (ASX: BRU) and a 13.7% equity interest in ASX listed Elixir Petroleum Ltd (ASX: EXR). New Standard is also continuing to actively assess other opportunities to complement and expand its exploration portfolio.



**Weekly Drilling Report - Nicolay #1**

<b>Project</b>	Goldwyer Project, Canning Basin
<b>Well Details</b>	Nicolay #1 is located in exploration permit EP 456 in the Great Sandy Desert, east of Port Hedland. A location map is provided below
<b>Well Location</b>	Latitude: 20°34'12"S Longitude: 123°15'31"E
<b>Equity Interests</b>	New Standard 25% (Operator) ConocoPhillips 75%
<b>Date of progress report</b>	06:00hrs, 30 August 2012 (AWST)
<b>Proposed total depth</b>	3,450 metres (approximately)
<b>Current depth</b>	858 meters (06:00hrs, 30 August 2012)
<b>Spud date</b>	18 August 2012
<b>Days since spud</b>	11
<b>Current target formation</b>	The Nicolay #1 well is targeting the Goldwyer formation (primary target) as well as the overlying Bongabinni and Nita formations (secondary targets)
<b>Operations since last progress report</b>	Since the last report the well has been drilled ahead in 17 ½ inch hole to the first casing point at measured depth of 858 meters. 13 3/8 inch casing has been run into the hole, cemented back to surface and successfully pressure tested.
<b>Hydrocarbon indications</b>	None – none expected
<b>Forward operations</b>	Finish well control equipment testing and drilling equipment preparations before drilling out cement shoe and drilling ahead in 12 ¼ inch hole towards the second casing point which will be located just above the target Nita and Goldwyer formations.

**Location Map**



Above: The Goldwyer Project's Phase 1 well site Nicolay #1, first to be drilled in a series of three initial exploration wells