



**ASX Announcement  
11 September 2009**

**Comet Block initial coring program completed**

Bow Energy Limited (ASX: BOW) is pleased to provide a progress report on continued encouraging results from the exploration drilling programs in the Comet and Blackwater Coal Seam Gas (CSG) Fields in Bow's 100% owned Comet Block located 230 km west of Gladstone, Queensland where several export CSG to LNG projects are planned by third parties.

**Comet CSG Prospect - Coals desorbing gas intersected in all wells (ATP 1025 - Bow 100%)**

The Comet CSG Prospect is located immediately north of the Blackwater CSG Field in ATP 1025P and has Rangal and Burngrove Coal Measures as the primary targets. All three of the proposed wells have been drilled: CM-1 to 750 metres depth, CM-3 to 530 metres depth and CM-2 to 672 metres depth. CM-1 intersected 22.5 metres of coals desorbing gas, CM-3 intersected 26 metres of coals desorbing gas and CM-2 intersected 24.9 metres of coals desorbing gas. Currently permeability testing is underway in CM-2.

**Blackwater CSG Field reserves upgrade report being prepared**

To date 559 PJ of 3P reserves have been certified in the Blackwater CSG Field from the Rangal Coal Measures. The final 3P program core well in the field, BW-6, the southernmost well in the initial Blackwater CSG Field coring program, reached a total depth of 600 metres at the base of the Burngrove Coal Measures. The well intersected at total of 15.14 metres of coals desorbing gas within the Rangal and Burngrove Coal Measures.

Since the last weekly report, final DAF (Dry Ash Free) gas contents have been received for the BW-3 and BW-1 wells. BW-3 is the shallowest well in the Blackwater CSG Field with coal seams between 117 and 474 metres which have DAF gas contents of 8-16m<sup>3</sup>/tonne. BW-1 was drilled in the northern part of the Blackwater CSG Field and has DAF gas contents ranging from 12-21m<sup>3</sup>/tonne in coal seams between 370 to 695 metres depth.

The BW-1 and BW-3 gas contents, along with the previously announced results from BW-2a (10-17m<sup>3</sup>/tonne) and BW-4 (13-18m<sup>3</sup>/tonne), indicate there is likely high gas saturations across the Blackwater CSG Field. Final DAF gas content data from BW-7, BW-5 are expected within weeks with data from BW-6 to follow thereafter.

Bow is currently preparing further interim, seam specific, gas reserves reports on the Rangal and Burngrove Coal measures and plans to send the Rangal report to the reserve certifier early next month and Burngrove a couple of weeks later. The certifier has indicated that it will take about a month to complete its independent mapping and review after receipt of each report.

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## **Blackwater CSG Field 2P reserves appraisal program being prepared**

Bow is still on track to commence a multi-well 2P and 1P reserves appraisal drilling program on the Blackwater CSG Field late this month after some rig repairs and modifications of the Depco coring rigs to accommodate air drilling. The plan is to air drill up to an initial nine small bore 2P appraisal wells using the Depco rigs plus drill three big bore 1P production test wells using a larger drill rig. Bow has not yet selected the drilling contractor for the production test wells but has been negotiating with a number of contractors.

Given the high gas contents in the Blackwater CSG Field, Bow has been advised that 2P reserves over an area may be certified if sufficient coal permeability can be demonstrated over that area. For this reason, the initial 2P appraisal program will focus on the shallower regions of the Blackwater CSG Field where encouraging coal permeability has been encountered and test the permeability of each seam. Bow may test hydrofracs over selected coal intervals to determine if this method can enhance the permeability. After the testing of the small bore holes, Bow plans to install downhole pressure sensors at each seam and complete each well as a monitor well for future production.

The production test wells are designed to not only demonstrate the potential for commercial gas flow rates, but to test completion methods and, where coal seams have low permeability, test permeability enhancements methods in our likely future production size bore holes.

### **Current Operations**

- Depco rig DR28 currently testing at the BW-6 well
- Depco rig DR18 demobilised for repairs and modifications prior to commencing 2P program

For and on behalf of the Board

Duncan Cornish  
Company Secretary  
**Bow Energy Ltd**

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### Summary of Blackwater CSG Field Drilling Program

Well	Spud Date	Total Coal Intersected	Coal Depths	Results to Date
BW-1	30 June	23 metres	370-695 metres	Drilled to a total depth of 723 metres with permeability testing completed and results being analysed; initial results show low permeabilities. Confirmed DAF gas contents in the range of 12-21m <sup>3</sup> /tonne*.
BW-2	13 May	5.35 metres (upper Rangal only)	From 493 metres	Well suspended after hole instability due to highly fractured coals. Confirmed gas contents in the range of 10-17m <sup>3</sup> /tonne DAF* in upper Rangal.
BW-2A	15 July	2.71 metres (upper Rangal only)	From 495 metres	Drilled to 517 metres and suspended after hole instability due to highly fractured coals. BW-7 drilled 750 metres north of BW-2A.
BW-3	25 June	25 metres	117-474 metres	Drilling completed to a depth of 530 metres. Drill Stem Testing (DST) confirmed multiple permeable zones in both the Rangal and Burngrove Coal Measures (from 2.1 to 50.7 millidarcies). Confirmed DAF gas contents in the range of 8-16m <sup>3</sup> /tonne* from coals taken between 117 metres to 474 metres.
BW-4	1 June	21 metres	202-400 metres	Drilling completed to a depth of 612 metres with encouraging permeability results obtained (Rangal coals have permeabilities of up to 500md and Burngrove coals over 1 darcy). Confirmed DAF gas contents in the range of 13-18m <sup>3</sup> /tonne* in the Rangal and Burngrove Coal Measures.
BW-5	23 July	18.7 metres in Rangal and Burngrove only	385-585 metres	Drilled to a depth of 626 metres to base of Burngrove Coal Measures only. Permeability tests completed and results being analysed; initial results show low permeabilities.
BW-6	4 Sept	15.14 metres in Rangal and Burngrove only	350-570 metres	Drilled to a depth of 600 metres to the base of Burngrove Coal Measures only. Permeability testing is underway.
BW-7	2 August	25 metres in Rangal and Burngrove only	498-741 metres	Drilled to a depth of 780 metres to base of Burngrove Coal measures only. Permeability tests completed and results being analysed; initial results show low permeabilities.

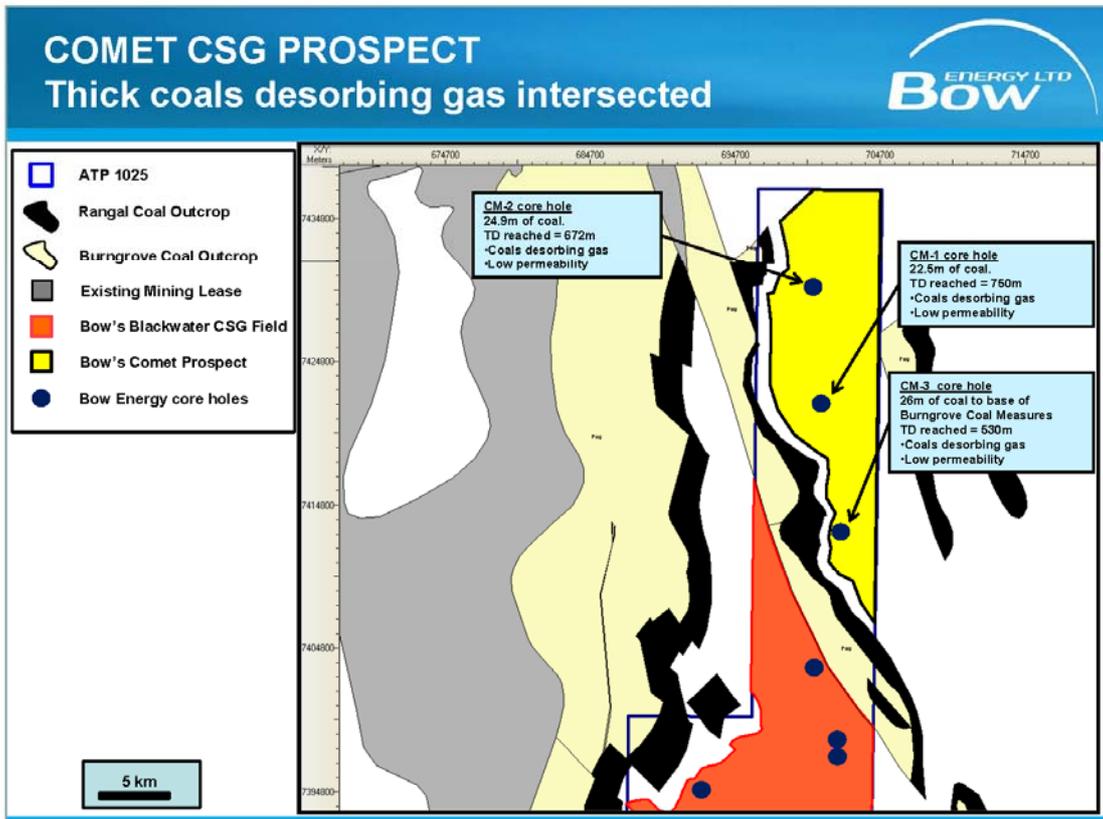
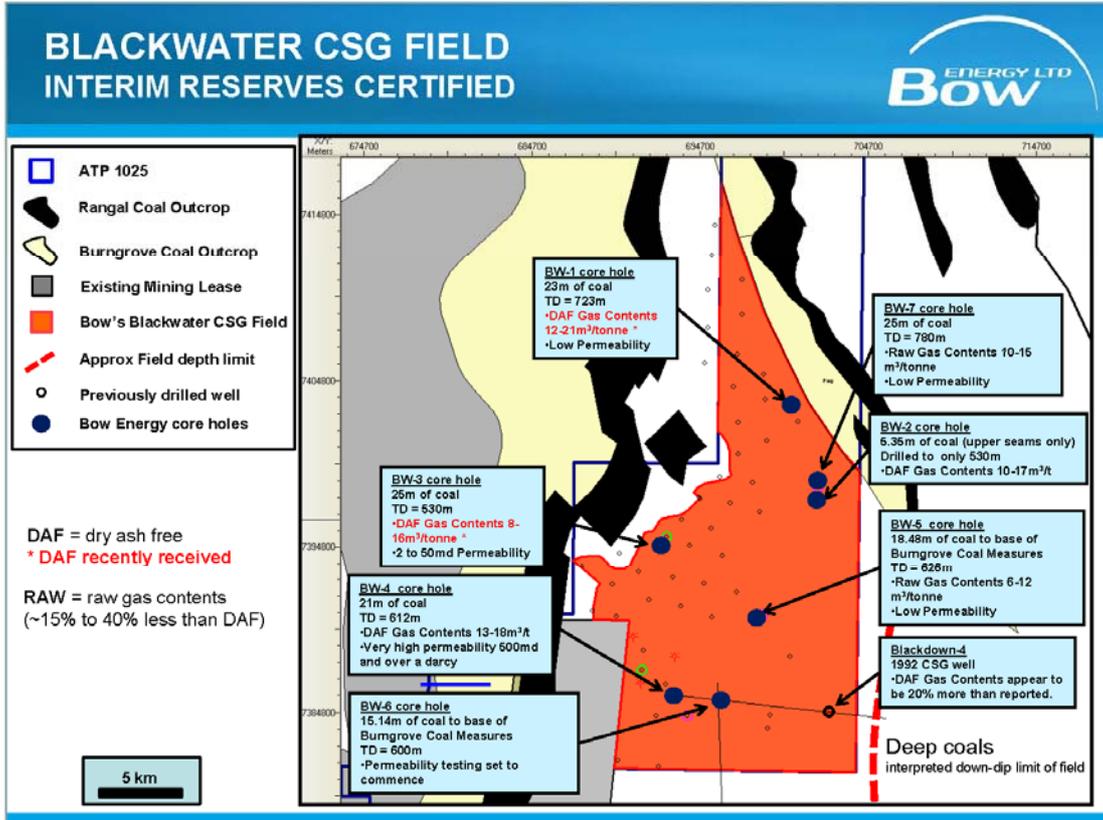
### Summary of Comet CSG Prospect Drilling Program

Well	Spud Date	Total Coal Intersected	Coal Depths	Results to Date
CM-1	18 August	22.5 metres	256-656 metres	Drilled to a depth of 750 metres to base of Burngrove Coal measures only. Permeability tests completed and results being analysed; initial results show low permeabilities.
CM-2	31 August	24.9 metres	276-610 metres	Drilled to a depth of 672 metres. Permeability tests completed and results being analysed; initial results show low permeabilities
CM-3	21 August	26.2 metres	193-486 metres	Drilled to a depth of 530 metres to base of Burngrove Coal measures only. Permeability tests completed and results being analysed; initial results show low permeabilities.

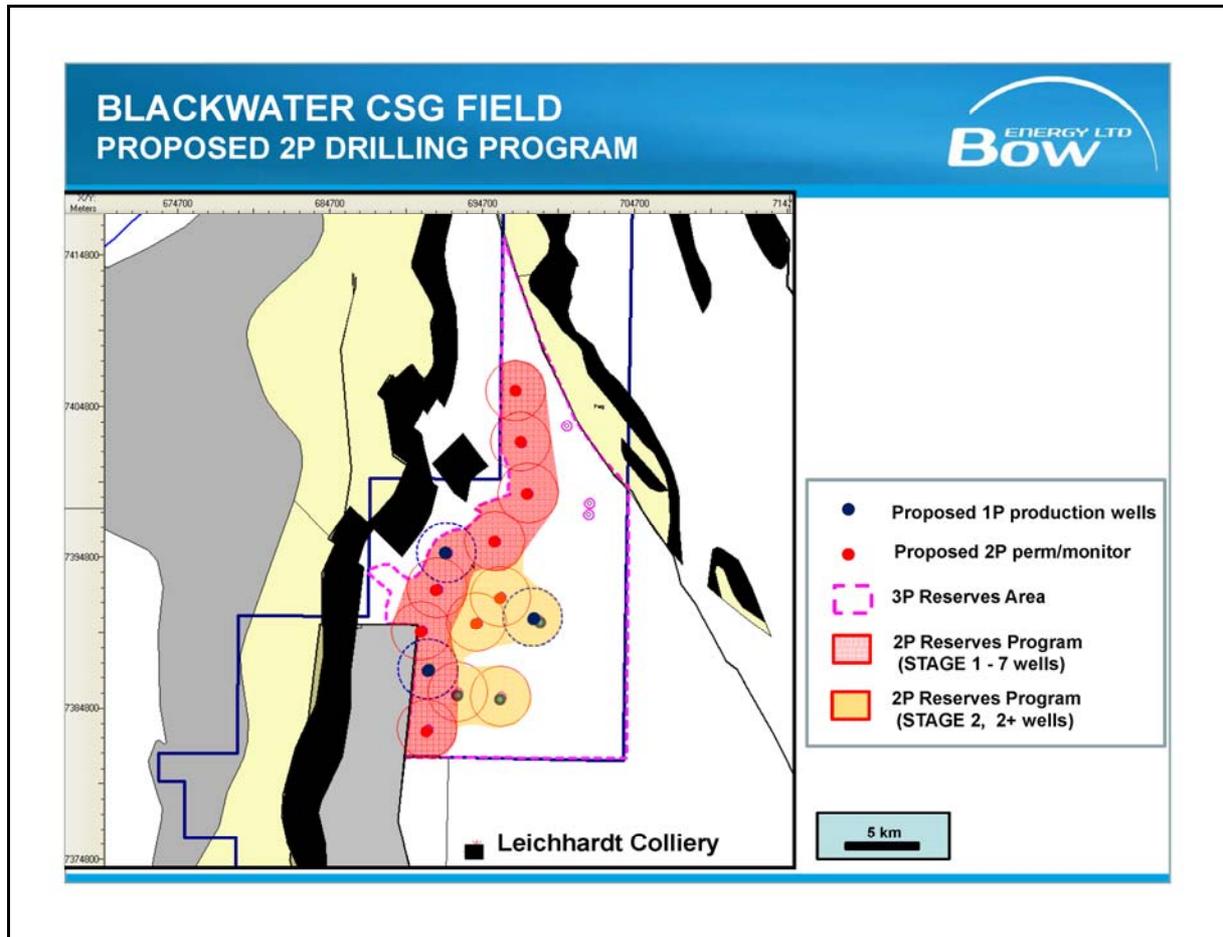
\* Gas contents are quoted as "Dry Ash Free" or DAF.

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*The technical information contained herein in the form and context in which it appears is based on information which was compiled by the Company's Managing Director, Ron Prefontaine, who has more than 30 years experience in petroleum exploration.*

**Competent Person Statement** - The estimates of gas reserves and resources for the Comet Block (ATP 1025P) and Don Juan CSG Field have been prepared by MHA Petroleum Consultants, LLC (MHA) in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers. The reserve statement has been compiled by Mr Timothy L Hower Chairman of MHA, together with personnel under his supervision. Mr Hower, who has over 28 years industry experience, and MHA have consented to the inclusion of the technical information contained in this announcement in the form and context in which it appears.

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