

NORWEST ENERGY NL

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ASX: NWE

28 February 2011

ASX Announcement

Red Hill South well spuds



Figure 1 Hunt Rig #2 on location at Red Hill South

Norwest Energy NL (ASX: NWE) advises that the Red Hill South -1 well in the TP/15 Permit spudded today.

Redhill South-1 will test the hydrocarbon potential of the late Permian Dongara Sandstone reservoir which are prolific producers at the Hovea and Jingemia oil fields. The Red Hill South prospect has potential of 34MMbbl oil in place and 9MMbbl recoverable. The target reservoir is at a depth of 1,587 metres TVDRT (TD is at 1,907 metres TVDRT).

The well is being drilled by Hunt Energy and Mineral Co Australia's Rig 2 from an onshore location in Permit L2 adjacent to Dongara Airport, into the offshore target in TP/15.

Status as of 4.30pm WST on 28 February.

- The final remaining approval for the Application to Drill was received from the WA Department of Mines and Petroleum on 25 February 2011.
- The Hunt Rig 2 will spud during the course of 28 February. 2.
- 3. The 13-3/8" conductor casing has been pre-installed.
- The well will be directionally drilled in 12-1/4" diameter hole to achieve 310m step-out and be vertical at the end of the 12-1/4" section. 9-5/8" casing will then be run to 1202m measured depth (MD). The well will continue in 8-1/2" diameter hole through the target to a prognosed total depth at 1977m MD (1907m TVDRT). See Fig 1 for a well vertical section plot.
- Following drilling, the well will be logged with a suite of wireline logging tools and evaluated for hydrocarbons. Following evaluation it will either be plugged and abandoned as a dry hole, or in a discovery case the well may be suspended as a future producer.
- Expected duration from spud to TD is 12.5 days with a further 4 days for evaluation and either suspension or plug and abandonment operations. In the event of hydrocarbons being present this period may be extended with additional evaluation and wireline logging.

In accordance with ASX Listing Rules, Norwest will issue regular updates during the drilling operations on each Thursday, or after completing an important operational phase and/or obtaining an important assessment or result.

The participants in Red Hill South are:

Westranch Holdings Pty Ltd¹ 50% **Bharat PetroResources Ltd** 50%

¹A wholly owned subsidiary of Norwest Energy NL (Operators of the Joint Venture)

Peter Munachen Director/CEO **Norwest Energy NL**

Competent Person

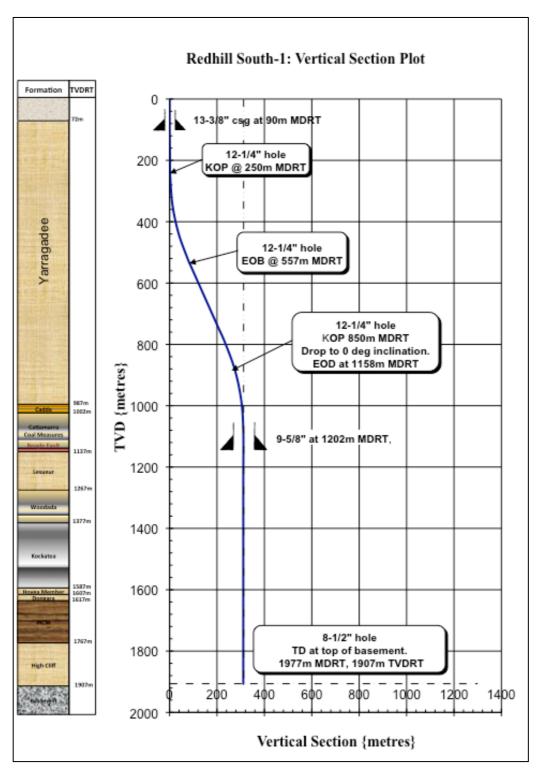
The information on the Red Hill south prospect is based on information compiled by Mr. Andrew Sutherland of Dataco Australasia Pty Ltd. Mr. Sutherland holds a Bachelor Degree in Science and has 30 years experience in petroleum exploration.

Mr Sutherland has consented in writing to the inclusion of the information stated in the form and context in which it appears.

For further information: please contact Peter Munachen or Ernie Myers on 08-9227 3240, or email info@norwestenergy.com.au.

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Fig 1. Red Hill South-1 Well Profile



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