

AWE's Arrowsmith-2 drilling update

AWE Limited reports that at 0600 hours today (WST) the Arrowsmith-2 exploration well was preparing to drill ahead at a measured depth of 600 metres after running and cementing 13-3/8" casing, as planned.

The Arrowsmith-2 well is designed to test the unconventional gas potential of the Carynginia Formation, Irwin River Coal Measures and Kockatea Shale and will be drilled to a proposed total depth of approximately 3,420 metres.

The well is located approximately 25 kilometres from the Woodada Deep-1 well (deepened by AWE in April 2010 to acquire cores over the Carynginia Shale interval), and approximately 500 metres south east of the Arrowsmith-1 well, which tested gas from the Carynginia Formation.

During drilling, the joint venture is planning to cut conventional cores from the middle Carynginia Shale and Irwin River Coal Measures. On completion of drilling, the well will be suspended for future fracture stimulation and testing which is planned for later in the year.

The participants in EP 413 are:

AWE Limited (via subsidiaries)	44.252%
Norwest Energy NL (Operator)	27.945%
Bharat PetroResources Ltd	27.803%

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