

## ASX: NWE

9 August 2012

### Arrowsmith-2 Weekly Project Update 2

- **Early gas flow rates for Stage 1 - High Cliff Sandstone interval now available**
- **Norwest currently preparing for Stage 2 – Irwin River Coal Measures hydraulic fracture stimulation**

Norwest Energy (ASX:NWE) is pleased to report that the Arrowsmith-2 well is continuing to produce gas during the flow back and clean up of Stage 1, the High Cliff Sandstone (HCSS) target of the fracture stimulation program.

The gas flow rate is now steadily increasing as the water production rate drops, and overnight the well was diverted through the Expro separator in order to measure rates. Over a period of 40 minutes, Expro reported that the gas rate peaked at 777scf/d, with an average rate over that period of 446scf/d.

These reported rates are extremely pleasing, particularly as the well is still in the clean up phase of the program. Once the well has produced back the majority of the injected fluid, it is expected that the gas flow rate will further stabilize, and a more established rate of flow will be determined.



*Fig 1. Arrowsmith-2 gas flare, 8<sup>th</sup> August 2012*

Norwest is now preparing for Stage 2 of the hydraulic fracture stimulation program – the Irwin River Coal Measures (IRCM) target. The IRCM is at a depth of 2949m and approximately 330m thick in the vicinity of Arrowsmith-2, and is a hybrid shale/sandstone interval.

Norwest will continue to release a weekly update each Thursday for the duration of the activities on site, with operations expected to continue for another 5-6 weeks.

The participants in the EP413/Arrowsmith Joint Venture are:

|   |            |         |
|---|------------|---------|
| Norwest Energy NL (Operator)                | (ASX: NWE) | 27.945% |
| AWE Limited (via subsidiary ARC Energy Ltd) | (ASX: AWE) | 44.252% |
| Bharat PetroResources Ltd                   |            | 27.803% |

**Peter Munachen**  
Chief Executive Officer/Director



*Fig 2. Collage of images from Arrowsmith-2 location, August 2012*

**For further information**

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**Media**

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