
ASX Announcement (ASX: NSE)



NEW STANDARD
ENERGY

Date: 28 January 2014

NEW STANDARD SPUDS FIRST WELL IN EAGLE FORD SHALE

New Standard Energy Limited (**New Standard**) is pleased to advise that it spudded its first well in the Eagle Ford shale (**EFS**), the Peeler Ranch-5H, on Sunday 26 January 2014.

The Peeler Ranch-5H well, which is in New Standard's Atascosa Project, Texas, USA, is operated on the company's behalf by strategic business partner Magnum Hunter Recourses (**NYSE: MHR, Magnum Hunter**). It is expected to take approximately 20 days to drill to the target vertical depth (**TVD**) of 2,950 metres, with a lateral length of 1,735 metres.

Upon completion of Peeler Ranch-5H, the rig will be mobilised across the existing pad to drill the Peeler Ranch-6H well. This ability to use existing infrastructure will provide New Standard with cost efficiencies.

New Standard Energy Managing Director Phil Thick said while there were existing, producing wells on the same acreage which were already providing revenue to New Standard, the Peeler Ranch-5H represented a significant milestone for New Standard, as it is the first well drilled under the acreage's new ownership.

"I am delighted that we have been able to progress operations alongside Magnum Hunter to a point where we are able to drill our first well only a week after receiving overwhelming support from our shareholders to purchase the Atascosa Project," Mr Thick said.

Completion of the acquisition of the US assets will occur this week.

- ENDS -

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About New Standard: New Standard Energy is an emerging hydrocarbon explorer, producer and 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's Southern Canning Project has attracted world class partners in ConocoPhillips and PetroChina and the Company has strong cash resources to explore and progress its broad project portfolio. 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 and the Cooper Basin in South Australia while growing its production base in the Eagle Ford shale in the United States. 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
- 100% operated interest in EP417 in the Canning Basin
- 100% operated interest in the Seven Lakes SPA area in the Canning Basin
- 100% operated interest in the Merlinleigh project, onshore Carnarvon Basin Western Australia
- 52.5% operated interest in the PEL 570 acreage area in the Cooper Basin, South Australia (upon farm-out completion)
- 100% operated interest in 5,182 net acres in the Eagle Ford shale, onshore Texas, USA
- 32.5% working interest in the Colorado County Project, onshore Texas USA

In addition to the above portfolio, New Standard has a 28.2% equity interest in ASX listed Elixir Petroleum Ltd (ASX: **EXR**) and has formed a strategic alliance with Magnum Hunter Resources (NYSE: **MHR**) to deliver expertise and corporate growth. New Standard is also continuing to actively assess other opportunities to complement and expand its exploration portfolio.