

More gas flows from Warro-3

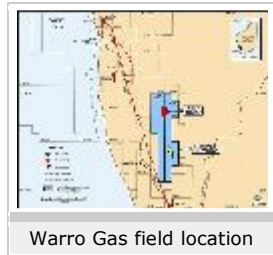
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PARTNERS in the Warro gas project in the Perth Basin have had better than expected gas flows from the Warro-3 tight gas well following the removal of coil tubing and nitrogen lift.

Minority partner Transerv Energy said the well flowed gas at an average rate of 2.3 million cubic feet per day on Friday following the removal of coil tubing, while the fluid flow rate has decreased to 750 barrels per day.

The company said the well has shown it can flow gas to surface without the assistance of coiled tubing and nitrogen lift.

Potential gas flow rates are expected to increase further once the recovery of frac fluids ceases.



Testing of the Warro-3 well began on May 2 and is expected to take up to 60 days.

Currently, the well is shut-in for static pressure testing, which is expected to take a few days before flow testing recommences.

Should the well be successful, which appears to be increasingly likely, the joint venture between Alcoa, Latent Petroleum and Transerv could drill more than 200 wells on the field to produce an average of 100-150 million cubic feet of gas per day.

The gas will be piped to the gas-processing plant from various well pad groupings before being delivered to the Dampier to Bunbury and Parmelia pipelines.

Latent had said previously the field could hold 1-3 trillion cubic feet of recoverable gas.

Alcoa is funding the evaluation program in return for a 65% interest in the project while unlisted private company Latent holds a 25% stake.

Transerv owns the remaining 10%.