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Company Announcements Office

Norwest Cobra Appraisal Well Reaches TD

Norwest Energy (ASX: NWE) advises that the 48/2c-5 'Cobra' appraisal well on Block 48/2c in the Southern North Sea, has reached a total measured depth of 11,805 ft and wireline logging has been completed.

Analysis of wireline log data suggests that, in accordance with pre-well expectations, a total thickness of 408 feet (true vertical thickness) of Roliegendes Sandstone Formation was encountered in the well and the Rotliegendes Sandstone reservoir is gas-bearing. However, the reservoir quality of the gas sands are also of similar low quality (i.e. low permeabilities), to the Rotliegende gas sands encountered in the Cobra discovery well. Accordingly, the co-venturers have agreed to conduct a full testing programme, however, until the testing programme has been completed there is still uncertainty as to whether this reservoir is capable of delivering significant flow rates. The rig is currently preparing to test the well and results should be available in approximately 14 days subject to operational and weather constraints.

The main objective of the 48/2c-5 appraisal well is to establish whether the Rotliegendes Sandstone reservoir is capable of flowing at commercial rates. The well is being drilled up dip from the Cobra 48/2-1 discovery well, drilled in 1984, which flowed at 2.7 million cubic feet per day. The original 48/2-1 well was interpreted as having reservoir damage and therefore, Norwest and partners believe that reservoir performance can be improved by the use of modern drilling and completion techniques.

Norwest Energy concurred with co-venturer and operator EnCore Oil whose CEO - Alan Booth commented, "The results so far are in line with our pre-drill expectations. We look forward to the results of the testing programme which will provide critical information about the potential deliverability of the reservoir."

The Cobra 48/2c-5 well is being drilled by the ENSCO 80 jack-up rig and is being managed by Applied Drilling Technology International (ADTI) which has over 20 years' experience in providing 'turnkey' drilling services. Norwest has a 22.5 percent interest in the Cobra discovery, together with co-venturers, EnCore Oil (20 percent), Bharat Petroleum Corporation Limited (25 percent.), Tata Petrodyne Limited (25 percent.) and Challenger Minerals (North Sea) Limited (7.5 percent.).

John Michaels, (BA.in Geology and M.Sc in Petroleum Geology) is a fulltime employee of Norwest and is Norwest's VP Business Development. Mr Michaels has over 21 years of oil industry experience and is a full Member of the American Association of Petroleum Geologists (member since 1982), has reviewed and approved the technical information contained in this announcement.

About Norwest

Norwest is a Perth-based exploration and production company with project interests in Australia and the UK. It also has a 1.25% over-riding royalty interest in production from the Puffin Field operated by AED Oil Limited. Norwest maintains a UK office to support its North Sea activities as well as to seek out UK and European exploration and production opportunities and it also maintains a representative office in New Delhi.