

28 September 2011

## **New Meridian SeamGas well becomes a top producer**

### **Key Points**

- Gas has been flowing from one of seven new Meridian SeamGas production wells at a rate of up to 680,000 standard cubic feet a day as it progresses toward peak production - making it one of the gas field's top producers
- The seven new well sets are expected to produce 6-7 TJ/d as Meridian SeamGas advances plans to lift production toward 25 TJ/d by the end of calendar 2012

As Operator of the Meridian SeamGas CSG gas fields WestSide Corporation Ltd (ASX Code: WCL) is pleased to advise that one of the joint venture's seven new dual-lateral production well sets has become a top producer.

WestSide's Chief Executive Officer Dr Julie Beeby said the new well-sets were located at Pretty Plains within the Co-development area on the Dawson Coal Mine's Mining Lease near Moura in Queensland's Bowen Basin.

"The flow rate from Pretty Plains 2 has risen to the point where it has become one of Meridian SeamGas's best performing wells by producing up to 680,000 standard cubic feet a day from just two of the multiple seams available for future production," Dr Beeby said.

"We have been greatly encouraged by the performance of this well which shows that careful commissioning of these newly drilled production wells at Meridian SeamGas is paying off."

The well-sets have not all started delivering significant gas volumes yet due to a planned dewatering phase and prevalence of coal fines on start-up, although the time being taken to bring them into production is comparable to the previous operator's experience.

Dr Beeby said the seven new wells were expected to produce an aggregate of 6-7 Terajoules a day (TJ/d) as Meridian SeamGas advanced plans to increase production toward 25 TJ/d by the end of calendar 2012.

"Pretty Plains 2 remains controlled via water and gas pressure at present, so a peak significantly higher than the current production rate is anticipated as the well is gradually allowed to flow freely over the next few months," Dr Beeby said.

"The other new production wells are progressing in a similar manner and we are confident of achieving increased production in the coming quarter.

"We believe we will be able to bring wells into production more quickly in future and more importantly, replicate the strategy successfully as we continue to develop the gas fields," Dr Beeby said.

Work-overs on 22 wells have arrested field decline and delivered approximately 2.7 TJ/d of production since July 1 2010.

A further 19 wells have been targeted for production enhancement, including a blind lateral well which is being tested to demonstrate reliable production from lateral sections without the need for connection to a vertical well, which is a first for the region.

The production success follows WestSide's achievement in July 2011 of a targeted reserves upgrade which more than doubled Meridian SeamGas's gross proved and probable (2P) reserves to 433 Petajoules<sup>(1)</sup>.

Meridian SeamGas now has sufficient uncontracted 2P reserves to supply up to 60 TJ/d under contract for almost 20 years and is pursuing Gas Sales Agreements with domestic users and export LNG projects.

## **About WestSide Corporation Ltd**

WestSide Corporation Limited is an ASX-listed company (ASX code: WCL) with interests in coal seam gas (CSG) projects in Queensland.

WestSide operates the Meridian SeamGas CSG fields west of Gladstone in Queensland's Bowen Basin.

The Meridian gas fields comprise a range of CSG assets including a petroleum lease, gas rights in mining leases and gas compression and pipeline infrastructure connected to Queensland's commercial gas network. WestSide holds a 51% interest in the fields with Mitsui E&P Australia Pty Ltd holding the remaining 49%.

Elsewhere in the Bowen Basin, WestSide is currently operating an exploration and appraisal program at the ATP 769P (Paranui) and ATP 688P (Tilbrook and Mount Saint Martin) sites. WestSide's 50% interest in each area will reduce to 25.5% following the sale of 24.5 % interests to Mitsui, with QGC holding the other 50% in each case.

WestSide also has a 51% operating interest in two Galilee Basin (Queensland) tenements (ATP 974P and ATP 978P) covering an area of over 14,000 sq kms, with Mitsui holding the remaining 49% in each.

Additional information is available on WestSide's website: [www.westsidecorporation.com](http://www.westsidecorporation.com).

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(1) The Meridian reserves estimates for the Meridian SeamGas Project located in the Bowen Basin, Queensland Australia, contained in Netherland Sewell & Associates Inc's (NSAI) report dated 27 July 2011 were compiled by Mr John G. Hattner of NSAI and are consistent with the definitions of reserves that appear in the Australian Stock Exchange (ASX) Listing Rules. Mr Hattner consents to the use of the reserves estimates for general release by WestSide Corporation Ltd for use in Quarterly Reports, Annual Reports, Announcements or Broker requests.

# Meridian SeamGas: Production from new wells is rising

