

# Blue Strikes Galilee Basin Gas

**P**erth-based Blue Energy has completed its Carolina-1 well on the Galilee Basin in western Queensland as a coalbed methane producer after the company said it had struck 21 m of gaseous coals. ATP813 is held 100% by Blue Energy and is part of a group of five exploration tenures currently being evaluated for CSG potential under the company's current drilling programme of up to 15 wells to test the CSG potential of those tenures.

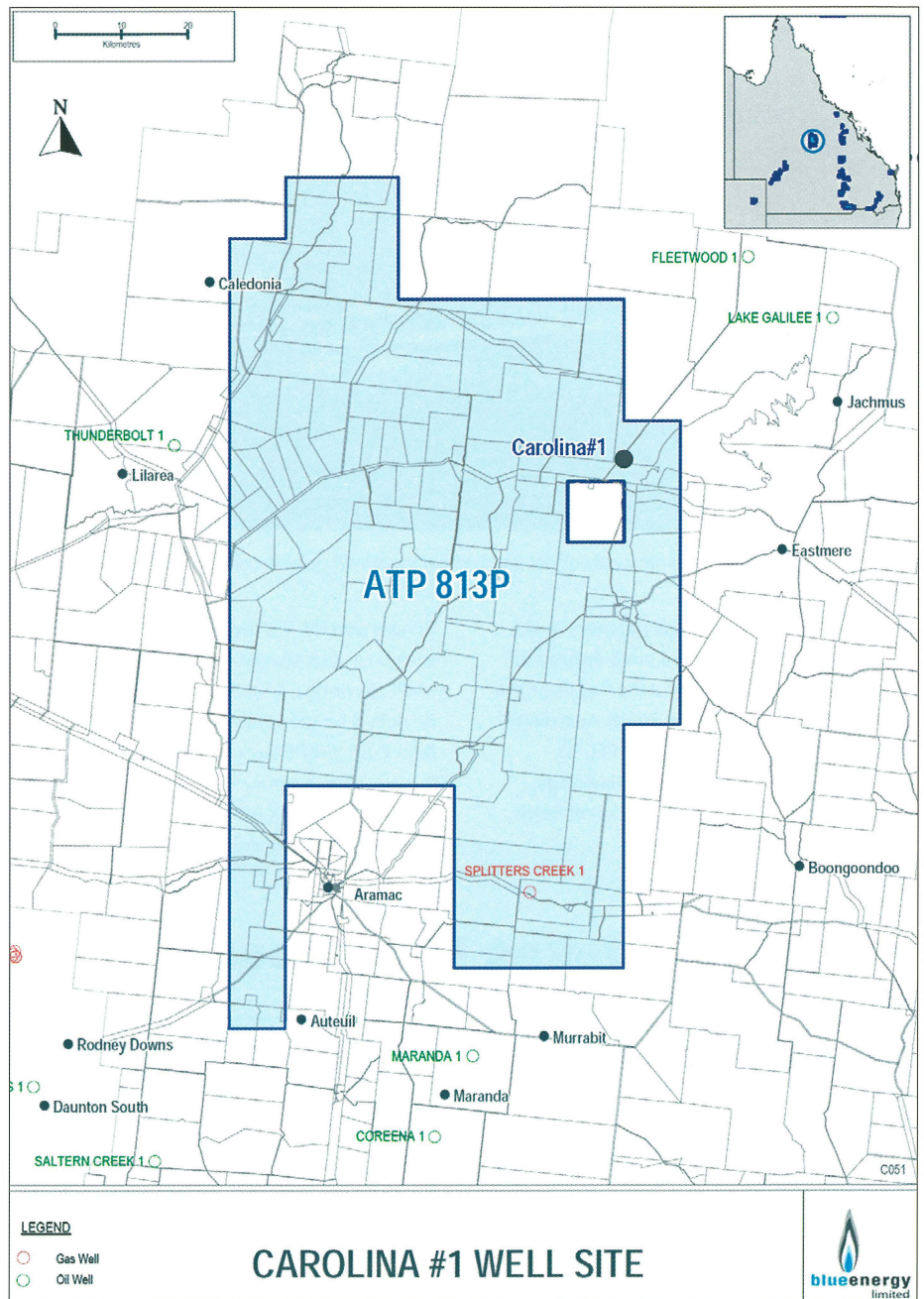
Drilling is currently targeting coal from the Betts Creek and Aramac coal measures with the aim of defining the composition and content of the coal seam gas within those measures. The company said results from the well were in line with its existing estimate of total gas in place on the ATP813P permit of 15.25 Bcf of natural gas. The permit covers about 6,200 km<sup>2</sup>.

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CEO Bill Williams said Blue had the advantage of 100% equity in all of its 800 series CSG ATPs, giving the company the flexibility to fund its future exploration and pilot projects through a farmout process. Recent drilling and core results had confirmed the company's initial gas-in-place estimates which increased technical confidence in its ability to deliver certified gas reserves in commercial volumes from a number of projects.

Blue Chairman Peter Cockcroft said the company could see a convergence internationally between the oil and gas prices in importing countries for both commercial and environmental reasons, and believed that Australia will follow suit.

"Thus, we will not only fast-track gas-to-power options, but Blue Energy is advancing strategic relationships to further its mini-LNG plant proposal which will take advantage of this exciting technology for entry into the gas transportation sector", he said. ■



Permit map showing the location of ATP813.