



# GOLDEN GATE PETROLEUM LTD

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29 September 2008

Market Release (*via electronic lodgement*)



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## FLOW TEST CONFIRMS SIGNIFICANT DISCOVERY AT BULLSEYE

### **Jumonville #1 Bullseye Prospect, Iberville Parish, Louisiana, Operator 43.33% WI**

The Company advises that the Jumonville # 1 well began initial flow testing on Thursday (25/09/08), North America time, after perforation of the upper 8 feet of the 47 feet of Miogyp sand. The initial production rate was 520 barrels per day of 40.8 API gravity light oil, with no water and 293,000 cubic feet per day of gas through a restricted 7/64 inch choke after the initial 24 hour period. The current surface flowing pressure of 7,323 pounds per square inch (psi) has shown little drawdown from the initial surface pressure measurements.

The small percentage drawdown at the current flow rate is an indication that the Miogyp reservoir is capable of much greater deliverability. The initial perforations and flow rates have been restricted to avoid damage to the reservoir during the initial testing period. After the completion of permanent production and distribution facilities (about two weeks), the flow rate will most likely be increased from the initial rates in order to determine the full deliverability of the reservoir.

In effect, commercial production has already begun as temporary production facilities are in place and sufficient to handle a continued testing program. Produced oil is being sold at a contract price with a US\$2.50 per barrel premium to the WTI benchmark. Gas will be flared until the gas sales flow line is completed over the coming weeks.

#### **Comments**

The initial results at the Jumonville # 1 well represent a tremendous success for Golden Gate Petroleum. The Company's reserve estimate from the Miogyp will be refined over the coming weeks with follow-on drilling and a reserve audit.

In addition, there is further significant upside with the commencement of drilling of Jumonville #2 well within the next 6 to 8 weeks as it tests the larger reserves of the Cib Haz interval below the Miogyp. Additional delineation drilling is also being planned.

Separately, the Company remains confident of a discovery of apparent net oil/gas pay observed in the Jumonville # 1 well in the Camerina sands approximately 200 feet above the Miogyp interval. Flow testing of this interval was not possible in the current borehole Discoveries in the two objectives above the Cib Haz (Miogyp and Camerina) provide confidence for the deeper target, as these reservoirs all have the same trapping mechanism. The Company hopes to have the opportunity for formation testing of the Camerina in the offset drilling at Jumonville #2 (below).

There are now two wells on the Bullseye prospect, Jumonville #1 and the previously Noble drilled Acosta #1 well that was never tested but identified 50 feet of Miogyp sand. These two wells combined with the upcoming Jumonville #2 well and the existing 3D seismic data provides confidence in the structural definition of the field assisting reserves quantification and future planning for development drilling.

Overall, the Company believes it has a major discovery at the Bullseye prospect that will have a significant impact on revenues and reserves as well as having the possible impact of dramatically changing the Company's financial size and market position.

### **Jumonville #2 Well**

Planning and permitting has already begun for the drilling of the Jumonville #2 well from the existing location. This well is designed to test the deeper Cib Haz interval and provide an added penetration of the Miogyp reservoir 1,500 feet to the west of Jumonville #1, further increasing proven reserves. The drilling plan will allow for formation fluid testing prior to setting intermediate casing across the Miogyp/Camerina interval, then the well will be continued to test the deep objective at 14,400ft. A drilling rig has been located and is expected to start drilling Jumonville #2 within 6 to 8 weeks. As production facilities will be completed, this well will be put on-line immediately after completion.

The deeper Cib Haz interval is contained in the same trap as the proven Miogyp reservoir and is therefore considered to have a high probability of success. The proprietary seismic data which provided an accurate pre-drill estimate of pay thickness in the current well, indicate a substantially thicker reservoir sand over a larger area in the deeper reservoir. If this deeper test is successful the combined reserves of the Camerina, Miogyp and Cib Haz, would make Bullseye one of the largest onshore discoveries in South Louisiana in recent years.

Partners in the Jumonville #1 well\* are:

Golden Gate Petroleum Ltd (ASX code: GGP)	43.33% WI
Modena Resources Limited (ASX code: MDA)	15.00% WI
Pantheon Resources PLC	15.00% WI
Eastern Advisors	20.00% WI
Nuenco NL (ASX code: NEO)	6.67% WI

\* Working Interests are reflected prior to back-in rights of project vendor.

*On behalf of the Board of Directors*

### **For further information contact:**

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The information in this report has been reviewed and signed off by Mr Jeff Copley, VP Operations (MSc. Geophysics), with over 30 years relevant experience within oil and gas sector.

Golden Gate is an independent oil and gas exploration and production company listed on the Australian Stock Exchange. Its focus of operations is onshore Texas and Louisiana Gulf Coast region of the USA.