



# GOLDEN GATE PETROLEUM LTD

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## OIL DISCOVERY AT SILVERWOOD--COMPLETION UNDERWAY

### Drilling Update

The Board of Golden Gate Petroleum Ltd (ASX: GGP) advises that the Richardson #1 Well has completed testing and analysis of the primary Vicksburg Sand target interval. Based on the mudlogs, electric logs, sidewalls cores and additional analysis from Schlumberger and others, it has been determined that there is approximately 18 feet of potential net oil pay. As a consequence, the partners have elected to complete the well for production testing and determine the commercial significance of the interval. Completion work has begun and a testing program will be developed over the next week in preparation for perforating and possibly stimulating the objective.

The Richardson # 1 Well was drilled to a depth of 9,500 feet. The mud log recorded a gas show in the primary Vicksburg Sand target interval covering approximately 26 feet which is slightly larger than original projections. The electric log responses in the Richardson # 1 well were very similar to an adjacent well that reached the Vicksburg Sand and flowed oil and gas to surface but mechanically was not prepared for the unique geo-pressured environment known to be found in the Vicksburg Sand at Silverwood. Some of the sidewall cores contained oil, although the retrieval rate was low due to the nature of the formation. A second logging run was performed by Schlumberger who recommended completion and testing.

### Project Background

The pre-drill estimates of the potential oil resource of the Vicksburg Sand objective were 2.7 million barrels of oil and 2.7 billion cubic feet of gas. Average cumulative production per well is around 211,000 barrels of oil and 0.2 billion cubic feet of gas. Initial flow rates are estimated to be around the 200+ barrels of oil per day level although the over pressured environment may significantly increase initial flow rates.

The potential oil resource of the deeper Cockfield objective is estimated at 4.7 million barrels of oil and 10.3 billion cubic feet of gas. An initial test well of the Cockfield is planned as a second test well once the operational environment of drilling the Vicksburg Sand is fully understood.

### Partners in the Silverwood Project are:

Golden Gate Petroleum (ASX Code: GGP) 30.00% WI  
Augustus Minerals Limited (ASX Code: AUJ) 40.00% WI  
Pass Petroleum LLC 30.00%

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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. **COMPETENT PERSONS STATEMENT: The information in this report has been reviewed and signed off by Mr Mark Decker, Geologist (BS. Geology), with over 34 years respective relevant experience within the oil and gas sector.**

This report contains forward looking statements that are subject to risk factors associated with resources businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.