



# GOLDEN GATE PETROLEUM LTD

( A B N 3 4 0 9 0 0 7 4 7 8 5 )

566 Elizabeth Street,  
Melbourne 3000  
Victoria Australia

Telephone: +61 3 9349 1488  
Facsimile: +61 3 9349 1186



PO Box 12883  
A'Beckett Street Post Office  
Melbourne 8006  
Victoria Australia

Email: [admin@ggpl.com.au](mailto:admin@ggpl.com.au)  
Website: [www.ggpl.com.au](http://www.ggpl.com.au)

16 September 2010

Market Release (*via electronic lodgement*)

## NAPoleonVILLE WELL COMMENCES DRILLING OPERATIONS

### Napoleonville-- Sager #1, Assumption Parish, Louisiana, Operator 15.15%

The Board of Golden Gate Petroleum Ltd (ASX: GGP) is pleased to advise that the Sager #1 well commenced drilling operations Wednesday, 15 September 2010 and is expected to take approximately two weeks to drill.

The Sagers #1 well is testing the Operc and Cris R III Sands as primary objectives with 300,000 barrels and 1.2 BCF of gas classified as a proven undeveloped (PUD) target. Further upside exists in secondary exploration objectives in the Marg A and Cris R I of 300,000 barrels of oil and 1.2 BCF of gas. If the well is successful, initial flow rates are expected to be around the 200+ barrels of oil per day and 500 thousand cubic feet (MCF) of gas per day. The Company's share of dry hole and completion costs are estimated at US\$265,000 and US\$92,000 respectively.

Partners in the Sagers #1 well are:

Company	WI
Grand Gulf Energy Ltd	39.89%
Golden Gate Petroleum Ltd (operator)*	15.15%
Other Partners	44.96%

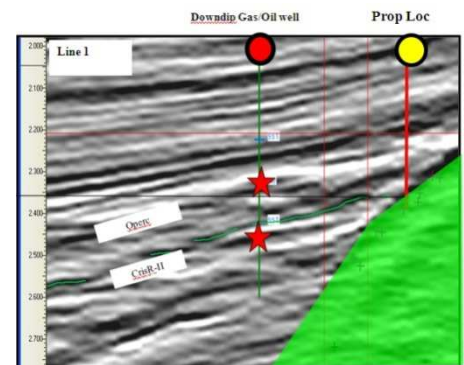
\* GGP is liable for approximately 23.15% of the dry hole costs.

Golden Gate Petroleum Ltd ("Golden Gate") is the designated operator of the Sagers #1 well. Golden Gate is an Operator of Record through its subsidiary Kindee Louisiana LLC. Golden Gate has been drilling wells in onshore Gulf of Mexico for the last 5 years. Golden Gate has significant and relevant drilling experience having recently drilled 3 deep geo-pressured and 3 shallow wells 30 miles to the north of Napoleonville in the Bullseye project area and the Fausse point well which is 45 miles to the west of Napoleonville.

On behalf of the Board of Directors

### For further information contact:

Chris Ritchie  
Financial Controller  
+61 3 9349 1488  
[investor.relations@ggpl.com.au](mailto:investor.relations@ggpl.com.au)



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 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.