

# GOLDEN GATE PETROLEUM LTD ASX / MEDIA ANNOUNCEMENT

29 April 2013

## Permian Project Operational Update

Golden Gate Petroleum Limited ("GGP") (ASX: GGP) is pleased to provide the market an update on the Permian Project in Texas, USA.

### #5H Well Update

The 5H well continued to unload frac fluid on its own well beyond expectations until we elected to stop the flow and install pumping equipment. Other wells in the immediate area that were frac'd with slick water are reported to have stopped flowing within three to four days after flow back was initiated. The 5H had flowed on its own for 12 days since the end of fracture stimulation work. When the flow rate finally tapered off to around 40 barrels per day (versus 900 barrels per day rate at the beginning), we moved forward with the installation of pumping equipment so as to move off the frac water at the pump rate of 800 barrels per day. A final clean out check with coil tubing was conducted before installing the pumping equipment.

Halliburton reports recoveries of up to 40-50% of frac volume prior to hydrocarbon break through with the use of Perm Stim frac fluid. This is one of the benefits of Perm Stim, higher recovery of frac fluid for less blockage in the wellbore. Indications are that this benefit is being realized on the SRH 5H. Overall, our expectations for the 5H remain high. Applying the latest Halliburton frac design technology which has achieved favorable results in other wells is expected to be a real plus for our anticipated outcomes.

The number of horizontal wells surrounding our leasehold in the North and West has increased substantially over the last year (see below). Some of these wells are now adjacent to our leases. All these wells are Wolfcamp wells and many have been drilled into the A bench of the Wolfcamp similar to the 5H well.

### COMPANY INFORMATION

Golden Gate Petroleum Ltd

ABN 34 090 074 785

### COMPANY DIRECTORS

Steve Graves – Executive

Chairman

Chris Porter – Director

Rob Oliver - Director

### MANAGEMENT

Chris Ritchie – CFO / Co Sec

### STOCK EXCHANGE LISTING

Australian Stock Exchange

ASX Code: GGP

Current Shares on Issue:

3,751,449,801

Market Capitalization as at 26

April 2013 based on a share

price of \$0.002

AUD \$ 7.5 million

### CURRENT PROJECTS

Permian Project

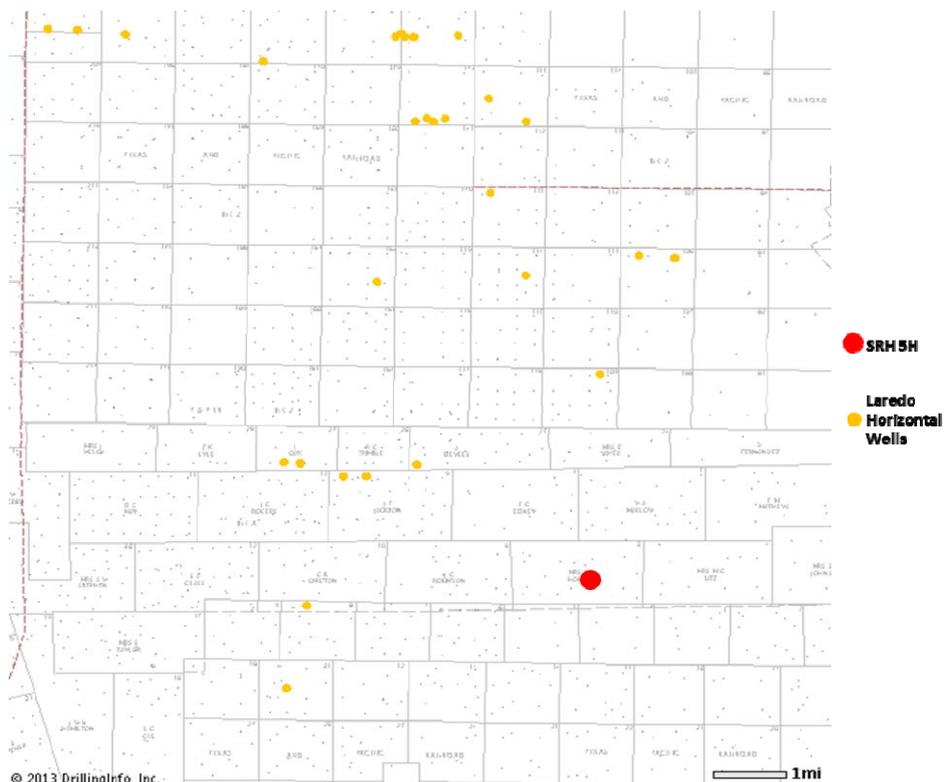
Napoleonville

Bowtie West

Acadia

Goliad

www.ggp.com.au



### **#1 and #2 Well Update**

The #1 Well has been put back on production and is pumping effectively. Initial production rates are encouraging. The initial daily flow rate is above 50 barrels per day and 100 mcf of gas. The workover rig moved to the #2 well and has drilled out the plug separating the Cline interval in this well.

### **#6 Well**

The next vertical well location has been staked and plated with the permitting process underway. This well will drill down through the Wolfcamp interval. In addition, testing is being planned for the Clearfork interval which is above the Sprayberry interval. The objective is to examine and test a zone in the Clearfork which could be a candidate for future horizontal drilling.

### **For and on behalf of the board**

**Steve Graves**  
**Executive Chairman**

### **For further information on GGP contact:**

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### **About Golden Gate Petroleum Limited**

Golden Gate Petroleum Limited (ASX:GGP) is an ASX listed company focused on the exploration and development of oil and gas projects in the Gulf States of the United States of America

**COMPETENT PERSONS STATEMENT:** The information in this report has been reviewed and signed off by Mr George Placke, Petroleum Engineer, with over 30 years of experience within the oil and gas sector and an extended background in Texas.

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.