

## **EXECUTION OF JOINT DEVELOPMENT AGREEMENT WITH GULF SOUTH**

The Directors of Maverick Drilling & Exploration Limited (ASX: MAD) are pleased to announce the Company has executed the Joint Development Agreement (JDA) with Gulf South Holdings Inc. (Gulf South) in relation to developmental drilling of its shallow salt dome acreage. The Directors expect funding and drilling to commence on the first wells by the end of December and be in full development in the first quarter of 2013.

Some of the key terms of the executed joint development agreement are set out below:

- Gulf South has the right to participate in the joint development of 400 or more wells, representing a capital commitment of US \$100 million, across the shallow oil fairways of Maverick's three salt domes over the next three calendar years (to the end of CY 2015). The program may be expanded, by agreement between the parties, beyond these initial wells and across the entire inventory of over 2,000 developmental drill sites over time.
- The participation by Gulf South involves the payment of US \$250,000, fixed for the term of the project, for a 25% working interest for the drilling, completion and production facility costs associated with each well.
- Maverick will be the operator of all Project wells.
- The Project does not include participation by Gulf South in any of the overhang, flank, high impact tests, or developmental wells greater than 5,000 feet.
- Under the terms of the executed Joint Development Agreement, Maverick has allowed Gulf South to prepay funds as they are raised. The executed agreement maintains flexibility for each party to refine their commitments on an ongoing basis – for example Gulf South has the ability to move to a 50% working interest at US \$500,000 per well.

### **GROCE #305 HIGH IMPACT WELL PLUGGED**

Maverick reported in its recent AGM presentation dated 16 November 2012 it was drilling its first salt dome seismic identified high impact target. Drilling of this well has now been finalised (total depth of 6,100 feet.). The well did not encounter hydrocarbons and was plugged.

### **ABOUT GULF SOUTH**

Gulf South Holding Inc. was formed in 2008 as an oil & gas exploration, drilling, development, and operating company. It's headquarters is based in New Orleans, Louisiana, USA. Gulf South drills and operates oil & gas wells for its own account and also sponsors oil & gas drilling investment limited partnerships and joint ventures to third-party investors. The

# MAVERICK

## DRILLING & EXPLORATION

management of Gulf South has extensive Gulf Coast experience and have an excellent track record of funding over \$1.5 Billion in drilling projects over the past 20 years.

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### **About Maverick Drilling & Exploration Limited (ASX: MAD)**

Maverick is a diversified oil company with existing oil production and reserves focusing on low cost development of drilling prospects. Maverick's flagship assets are leases that it holds over parts of Blue Ridge, Nash and Boling Domes established producing oil fields located south of Houston, Texas in the United States and its wholly owned subsidiary Maverick Drilling Company, a 39 year old contract drilling company based in Texas.