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ASX/Media Release

2 February 2012

ABITA PRODUCTION TO COMMENCE END OF FEBRUARY

Highlights

- Concrete Barge, Keyway and Line Heaters are complete and ready for production
- Final approval of pipe-line tap, sales and metering station from Sonat has been received
- Final work being completed in the next few weeks with production to commence before end of February
- Grand Gulf has 20% of the Abita discovery until project payout when it reverts to 15% WI
- The well logged 171ft of net pay in 9 intervals
- Recoverable resources estimated at 350,000-700,000 barrels Oil and 8 BCFG with additional upside

The well is being operated by Clayton Williams Energy Inc (NASDAQ: CWEI) in Plaquemines Parish, Louisiana. The well was drilled and completed in June 2011 and logged 171ft of net pay in 9 intervals.



CWEI have confirmed receipt of final approval of the pipe-line tap, sales line and metering station from Sonat, the gas transporter. The materials for the final work have been ordered and CWEI expect completing this work ready for first sales to commence prior to month end.

The concrete barge, keyway and line heater platforms are complete and ready for production.

GGE's estimate of the likely resources of this discovery (unaudited) is 7.9 BCFG and 350,000 - 700,000 bbls over 9 intervals. The Operator completed an initial tri-completion of the three bottom intervals and flow test results were:

Sand	TVD Interval (ft)	Est Net Pay (ft)	Gas (Mcf/d)	Oil/Condensate (Bcpd)	Water (Bwpd)
29	9,787-9,794	7	2,248	67	38
Upper 30	9,940-9,960	8	2,159	43	24
30	10,024-10,061	30	1,364	29	10

Analyses of the water recovered from each reservoir section indicate the water recoveries are mostly, if not all comprised of completion fluids suggesting none of the zones had cleaned up at the time of testing. This result is encouraging and suggests once the intervals are on production they will have a further chance to clean up and are expected to trend down in water production.

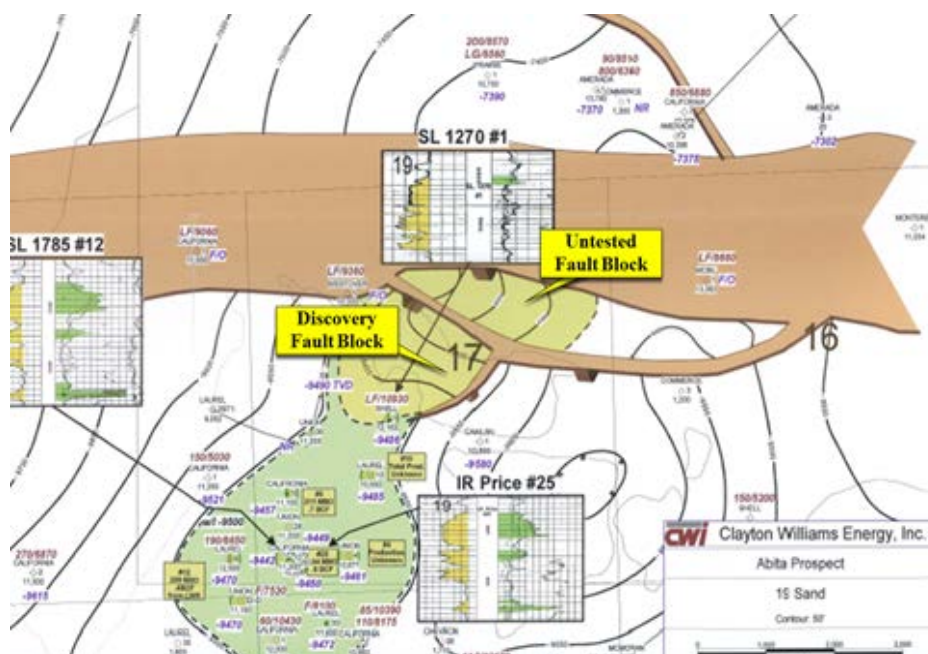
Each interval will be put on production individually and produced until depletion sequentially. The Operator's decision to undertake a triple completion provides the JV with the ability to economically open and shut each interval with a wireline, reducing expensive completion workover rig requirements.

Depending on the stabilised flow rates the Joint Venture may drill a development well to accelerate the oil production from the 19 sand.

The JV is also undertaking a technical review of the seismic and subsurface geology to determine the field extension potential for another oil and gas accumulation on the same geologic feature in the fault compartment immediately to the northeast (see map). The JV believes the discovery well crossed a critical fault (before penetrating a lower sand package) to add support to the northerly prospect. Objective sands are those found productive in the discovery well and deeper sands produced in Coquille Bay Field to the south. The prospective fault block has similar potential found in the discovery well.

The lower sand package in the discovery fault block was accordingly not tested in the initial well and any future development wells may be designed to penetrate this sand. The lower sand had a pre-drill estimate of 400,000 bbls of oil and is a significant producer in the adjacent field.

The Abita feature is a northern extension to Coquille Bay Field (produced 8 MMBLS & 15 BCFG). The feature is a down thrown drag structure defined by 3D seismic across a shallow syncline from the main field. The well is structurally high to wells that produce to the south across the syncline.



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COMPETENT PERSONS STATEMENT: The information in this report has been reviewed and signed off by Mr KC Whittemore (Registered Geologist, Texas USA), and Kevin Kenning (Registered Reservoir Engineer) with over 36 and 30 years relevant experience respectively 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.