



# GOLDEN GATE PETROLEUM LTD

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

Level 21, Allendale Square  
77 St Georges Terrace  
Perth WA 6000  
Australia

Telephone: +61 8 9324 1177  
Facsimile: +61 8 9324 2171

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PO Box Z5184  
Perth WA  
Australia 6831

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

## TESTING UP TO SIX INTERVALS AT FAUSSE POINT

The Board of Golden Gate Petroleum Ltd (ASX:GGP) is pleased to advise the T.G.R. Land Company, Inc #1 well at Fausse Point has been successfully completed and the well is now being prepared for an extensive testing operation which will include the testing of up to six intervals identified with potential hydrocarbons. Testing is expected to begin in approximately 10 days.

The well has encountered three separate gas and oil formations starting at 7,000 ft. There have been numerous zones of interest encountered across these formations. The lowest formation which extends over 300 feet has recently been logged and includes several zones of interest with some showing good permeability, porosity and oil/condensate in the sample cores.

Preliminary geologic analysis has identified six primary zones of interest across these formations and these have been selected for testing hydrocarbons. The intervals to be tested total approximately 120 ft.

Fully understanding these zones of interest to be tested across 120 feet and potentially other zones, requires further evaluation and analysis to more precisely determine the mineral composition, porosity, permeability, grain size and cementation of the zones of interests. Petrology is currently being done on sidewall cores and drill cuttings. This extensive evaluation will assist in the petrophysical analysis to help further refine the planned testing and completion programs.

The current proposed extensive testing program will start with the lowest interval and then sequentially test each interval on the way up the hole. If the first interval proves commercial, testing will in most likely hood cease and preparations will begin to bring the well onto commercial production. Other zones may then be evaluated as part of a future appraisal program which will include drilling other wells.

### Comments

The gas shows and oil indicators over the three formations are very encouraging. As such, a testing operation has been planned which will help evaluate the commercial significance of the oil and gas encountered in this well.

Partners in the Fausse Point Project are:

|   |           |
|---|-----------|
| Golden Gate Petroleum Ltd (ASX code: GGP) | 20.00% WI |
| Verus Investments Limited (ASX code: VIL) | 50.00% WI |
| Pass Petroleum L.L.C.                     | 30.00% WI |

Details of the Fausse Point project are summarised on the next page.

On behalf of the Board of Directors

**For further information contact:**

Steve Graves  
Managing Director  
Phone +1 805 469 4656

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.

**Fausse Point Highlights**

- Fausse Point is part of GGP's strategy to invest in low-cost, high impact, known hydrocarbon bearing areas which in the Company's view are moderately low risk in onshore Louisiana or Texas where its knowledge base and operational experience has been established from its other projects.
- The prospect is located on the flank of a producing salt dome where several quality targets have been identified.
- Success with the upcoming testing program will lead to almost immediate commercial production as the area contains abundant existing infrastructure to exploit any discovery.
- Salt domes in Louisiana have been proven to be highly prospective and prolific producers hence GGP has viewed this as a particularly exciting exploration opportunity. The Fausse Point salt dome has already produced over 44 millions barrels of oil and 141 billion cubic feet of gas.
- The Fausse Point exploration project provides a high impact exploration opportunity with near term upside to its current planned Bowtie West project. These high impact exploration wells which are relatively low cost provide good upside for GGP when combined with the current strong cash flow from Bullseye.