

## **NEWS RELEASE**

### **DEEP WELL DISCOVERS NEW HYDROCARBON ZONE**

September 15, 2010 – 08:00 EDT

EDMONTON, ALBERTA - (Marketwire - September 15, 2010) Deep Well Oil & Gas, Inc. (and its subsidiaries - "Deep Well" or "Company") (OTCQB Marketplace: DWOG) is pleased to announce the results of a technical analysis performed on some of the wells it owns. It has recently received the final report from Chapman Petroleum Engineering Ltd., which analyzes the area which Deep Well has drilled in the Sawn Lake Project. The report confirms the suitability of the wells as candidates for thermal recovery methods. The wells also compare favorably to wells produced under CSS (Cyclical Steam Stimulation) by Shell in the Peace River area.

In addition, Chapman Petroleum Engineering Ltd. identified a new hydrocarbon bearing zone up-hole from the Bluesky zone presently being concentrated on by the Company. This secondary heavy oil zone is the Peace River formation. It is a clastic unit of Lower Cretaceous age found at a shallower depth than the Bluesky in almost half of the Company's land. It is approximately 35 meters thick and is a massive very fine to medium grain sandstone conformably deposited on the Harmon shale. The company will continue the development of the Bluesky reservoir and at the same time will evaluate this newly discovered reservoir by coring future wells.

The President of Deep Well stated that the discovery of the new hydrocarbon bearing zone adds to the value and longevity of the Bluesky Reservoir in the Sawn Lake Project.

This press release contains forward-looking statements including, without limitation, the use of proceeds of the private placement. The words or phrases "would be," "will allow," "intends to," "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," or similar expressions are intended to identify "forward-looking statements." Actual results could differ materially from those projected in the Company's proposed oil and gas related business and described in this press release. The Company's business and the realization of the results contemplated by this press release are subject to various risks, which are discussed in the Company's filings with the SEC. The Company's filings may be accessed at the SEC's Edgar system at [www.sec.gov](http://www.sec.gov). Statements made herein are as of the date of this press release and should not be relied upon as of any subsequent date. The Company cautions readers not to place reliance on such statements. Unless otherwise required by applicable law, we do not undertake, and we specifically disclaim any obligation, to update any forward-looking statements to reflect occurrences, developments, unanticipated events or circumstances after the date of such a statement. Deep Well Oil & Gas, Inc. (OTCQB Marketplace: DWOG - News)

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