



# Western Plains Petroleum Ltd.

## Western Plains Petroleum Update on Drilling Operations and Unit Offering

**For Immediate Release**

**December 3, 2010**

CALGARY, ALBERTA – Western Plains Petroleum Ltd. (TSXV:WPP) (“**Western Plains**” or the “**Company**”) announces, as an update to its previously announced acquisition of a 100% interest (50% net to the Company) in 40 gross acres (20 net acres to the Company) of undeveloped petroleum and natural gas rights located in the Landrose area of west-central Saskatchewan on Section 16-50-26 W3M, it intends to spud a well on this section on or about December 6, 2010. The well will be targeting the prolific McLaren formation, from which the Company is producing from three (3) heavy oil wells located on the nearby Section 6-50-25 W3M in the Landrose area. The Company expects to have the new well on production by December 15, 2010, with an anticipated production rate of 70 bbls/d (35 bbls/d net to the Company). Drilling and completion costs are expected to approximate \$380,000 (\$190,000 net to the Company).

In addition, the Company is near completion of the down spacing process on six (6) new drilling locations in the Lloydminster area, which, once licensing approval has been received, will be added to the Company’s drilling program in the New Year.

Western Plains also announces it has closed an initial tranche of its previously announced private placement offering of units (“**Units**”), with an aggregate of 720,000 Units being issued at \$0.18 per Unit for gross proceeds of \$130,500.00. A final closing of the Unit offering, if any, will occur prior to December 13, 2010. Each Unit consists of one (1) common share and one-half of one (1/2) common share purchase warrant (“**Warrant**”), each whole Warrant exercisable into one (1) common share at an exercise price of \$0.25 per share for a period of one (1) year from the date of issuance. No finder’s fees were paid by the Company in respect of this initial tranche.

As the initial tranche of Units was subscribed for by three (3) of the Company's directors, such transaction constitutes a related party transaction under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). However, as neither the fair market value of any securities issued to or the consideration paid by such persons will exceed 25% of the Company's market capitalization, the private placement is exempt from the formal valuation and minority approval requirements for a related party transaction. A material change report disclosing the “related party” nature of this transaction was not filed at least 21 days in advance of the closing of the initial tranche of the private placement, as it was not known at that time that members of the Board would be participating in the private placement. The Company believes a shorter period between this disclosure and the closing of these transactions is reasonable, in light of its need to ensure it has sufficient working capital to properly manage and operate its business.

## **About Western Plains Petroleum Ltd.**

Western Plains is a Lloydminster, Alberta, based junior heavy oil producer with interests located in the Lloydminster area in both Saskatchewan and Alberta. The common shares of the Company trade on the TSX Venture Exchange under the symbol WPP.

For more information, please contact:

### **David Forrest**

President and Chief Executive Officer  
Western Plains Petroleum Ltd.  
#202, 5004 – 18 Street  
Lloydminster, AB T9V 1V4

Telephone: (780) 205-4468  
Fax : (780) 808-8038  
E-mail: [brahmadf@gmail.com](mailto:brahmadf@gmail.com)  
[www.westernplainspetroleum.com](http://www.westernplainspetroleum.com).

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