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Second Wave Petroleum Inc.

News Release

**For Immediate Release**  
**Calgary, Alberta**

**TSX Venture Exchange: SCS**  
**47,807,340 Common Shares**

## **Second Wave Petroleum Drilling Success Extends Judy Creek Oil Resource Play; 50 Locations Identified for Development**

**CALGARY, ALBERTA** – August 25, 2009. Second Wave Petroleum Inc. ("Second Wave" or the "Company") (TSX VENTURE:SCS) has successfully drilled and commenced production from its first horizontal oil well in the Pekisko G Pool in Judy Creek in Northwest Alberta. This well augments the Company's recently announced horizontal oil well in the Pekisko F pool in Judy Creek that was drilled during the first quarter of 2009. Based on drilling results to date, Second Wave has identified the potential for an additional 50 horizontal drilling locations at a 100% working interest within the Pekisko F and G pools.

The Company drilled the 100% working interest Pekisko G Pool horizontal well to a measured depth of 2,903 meters with the horizontal portion of the well bore intersecting 1,160 meters of the Pekisko formation prior to reaching the pool boundary. The well was tied into the Company's battery and tested in line with an average production test rate of 180 boe/d (56% oil) over a five day period with final pumping rates of 210 boe/d (59% oil). The Company expects that the well will initially produce at rates of 100 to 150 boe/d (65% oil).

The Company utilized its 23 square kilometers (5,760 acres) of proprietary 3-D seismic data in Judy Creek to delineate and start horizontally developing both the Pekisko F and Pekisko G pools. The cost to drill, complete and tie-in this latest horizontal well was approximately \$1.1 million, which the Company expects to be representative of the cost per well to drill, complete and tie-in additional horizontal wells in the pool.

The project economics in Judy Creek are enhanced by the Alberta Government's recently announced royalty reduction program, which provides for a 5% maximum royalty for the first twelve months of production or 50,000 barrels of oil production, whichever is reached first. In addition, the Company expects that the horizontal wells will qualify for the drilling royalty credit program announced by the Alberta Government, which would provide a credit equivalent of \$200 per meter drilled to be applied against corporate Crown royalties payable from April 2009 to March 31, 2011. Based on the depth drilled of 2,903 meters and the available guidance on this drilling royalty credit program, the Company expects that its capital expenditure of \$1.1 million for this latest well would qualify it for a \$0.6 million corporate royalty credit. Although this drilling royalty credit program has yet to be passed into law, it is anticipated that legislative

approval will occur later in 2009 and that the program will enhance the economics of the Company's horizontal drilling program.

### **Future Judy Creek Resource Development**

Second Wave continues to build momentum in Judy Creek with the drilling of three successful wells in 2009. The Company has accelerated its drilling program in Judy Creek and has licensed its next three wells to further develop the Pekisko G Pool. All three wells will be drilled off of the same surface location pad, with the first well scheduled to be spud early in the fourth quarter of 2009.

Second Wave currently holds 46,500 net undeveloped acres (100% working interest) on its Pekisko oil resource play in Judy Creek with 12% of its landholdings evaluated using 3-D seismic technology. The Company is planning to shoot up to an additional 35 square kilometers (9,000 acres) of 3-D seismic in the area during the first quarter of 2010. Although there can be no assurances as to future results, based on by-passed Pekisko pay and internal geological mapping, the Company believes that this exploration acreage has a similar or larger oil resource potential than its existing development in the Pekisko F & G oil pools.

To view the Company's most recent Corporate Presentation, please visit the Second Wave website at [www.secondwavepetroleum.com](http://www.secondwavepetroleum.com).

### **READER ADVISORIES**

Barrels of Oil Equivalent (BOEs). The term BOE refers to barrel of oil equivalent. BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of six mcf (six thousand cubic feet) to one bbl (one barrel) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Forward-Looking Statements. This news release contains forward-looking statements as to the Company's internal projections, expectations and beliefs relating to future events or circumstances. Forward-looking statements are typically (but not necessarily) identified by words such as "anticipate", "believe", "plan", "estimate", "expect", "plan", "intend", "potential", "may", "will", "should" or similar words suggesting future outcomes. Although the Company believes that these forward-looking statements are reasonable, undue reliance should not be placed on them as they are subject to known and unknown risks and uncertainties, many of which are beyond the Company's control. Forward-looking statements are not guarantees of future outcomes. There can be no assurance that the plans, intentions or expectations contained in the forward-looking statements or upon which they are based will in fact occur or be realized, and actual results may differ from those expressed or implied in the forward-looking statements. The difference may be material.

Second Wave is subject to the inherent risks associated with the exploration, development, exploitation and production of oil and gas. More particularly, material risk factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements contained in this news release include: adverse changes in commodity prices, interest rates or currency exchange rates; accessibility of capital when required and on acceptable terms; lower than expected production of crude oil and natural gas; production delays; lower than expected reserve volumes on the Company's properties; increased operating costs; ability to attract and retain qualified personnel or to secure drilling rigs and other services on acceptable terms; competition for labour, equipment and materials necessary to advance the

Company's projects; unforeseen engineering, environmental or geological problems; ability to obtain all required regulatory approvals on a timely basis and on satisfactory terms; and changes in laws and governmental regulations (including with respect to taxes and royalties). This list is not exhaustive. Readers should also review the risk factors described in other documents filed by the Company from time to time with securities regulatory authorities in Canada, including its most recent annual information form, copies of which are available electronically at [www.sedar.com](http://www.sedar.com) and at [www.secondwavepetroleum.com](http://www.secondwavepetroleum.com).

Specific forward-looking statements contained in this news release include statements regarding: the Company's ability to economically develop its Pekisko pools using new horizontal drilling technology; the scope and timing of a follow-up drilling program for the Pekisko F and G pools; future horizontal drilling locations; expected costs to drill, complete and tie-in future horizontal wells; the anticipated effect of royalty reduction and drilling royalty credit programs announced by the Alberta Government (including the amount of any anticipated credit); and the Company's plans to shoot additional seismic in 2010. In making such forward-looking statements, Second Wave has made various assumptions regarding, among other things: the accuracy of geological and geophysical data and interpretations of that data; future oil and natural gas prices; future capital requirements; future exchange rates; the accessibility and cost of capital (including credit); the Company's ability to economically produce oil and gas from its properties and the timing and cost to do so; and its ability to obtain qualified staff, equipment and supplies in a timely and cost-efficient manner.

Statements relating to the Company's belief as to the resource potential of its exploration acreage in the Judy Creek area are also forward-looking statements. There can be no assurance that exploration acreage will in fact contain any reserves or resources, or that any resources that may be identified can be economically produced.

The forward-looking statements included herein are made as of the date of this news release and Second Wave undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by securities laws.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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