



BASE OIL & GAS LTD. PROVIDES AN UPDATE ON ITS SECOND PEMBINA CARDIUM HORIZONTAL WELL

CALGARY, ALBERTA – (August 23, 2010) – Base Oil & Gas Ltd. (“Base” or the “Company”) (TSX VENTURE: BOG) is pleased to update the results of its second horizontal Cardium well in the South Pembina area. The well was stimulated with a 13-stage frac program on August 17, and was flowed for three days. A production test over the subsequent 48 hours showed the well flowing at 335 barrels of oil and liquids per day and 1.2 MMcf/day of natural gas, for a combined rate of 530 BOE per day. To date approximately 60% of the load oil has been recovered. The well is expected to flow without artificial lift, and be tied in by September 1, 2010.

Base has earned a 22.5% working interest in this well and the related section under a previously announced farm-in agreement. Planning is under way for the third and fourth earning wells in the South Pembina project. These wells are expected to be drilled in the fourth quarter of this year.

Base Oil and Gas Ltd. is a Calgary based emerging oil and gas company, focused on the development of Cardium oil & gas reserves in the Western Canadian Sedimentary basin.

References herein to “BOE” mean barrels of oil equivalent derived by converting gas to oil in the ratio of six thousand cubic feet (Mcf) of gas to one barrel (bbl) of oil. BOE may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 bbl is based on an energy conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. More particularly, this press release contains statements concerning the planned operational and exploration activities of the Company. The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Base with respect to the Company’s planned operational and exploration activities. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the failure to obtain the necessary regulatory approvals and risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks, commodity price and exchange rate fluctuations). The forward-looking statements contained in this document are made as of the date hereof and the Company takes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. Additionally, Base undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

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