



Enhanced Oil Resources Inc. Provides Operations Update

HOUSTON, June 11 /CNW/ - Enhanced Oil Resources Inc. (TSX-V: EOR) today provides the following update on corporate and operational activity.

As previously reported, the Company has been working to upgrade the water handling facility at the Crossroads Siluro-Devonian Unit in order to increase injection rates at the key No. 304 water injection well. The work had included shutting the injector well down, upgrading the handling capacity and reworking the applicable zone. The injector which was closed down on April 9th was approved by the State of New Mexico to re-open on June 2nd. The main issue of having the water injector well out of service during this time was the fact that 5 producing oil wells were temporarily shut in until the water injector was re-opened, thus lowering the Company's daily oil production.

The Company is pleased to report that water injection has recommenced at Crossroads and the 304 water injection well is now capable of injecting over 7,000 barrels of produced water a day. All but one production well has now been turned into the tanks and production at Crossroads has averaged approximately 300 bopd for the month of June. Total Company production for the same period has averaged 385 bopd. The Company is monitoring all wells and anticipates that production will level off at these levels until additional wells are brought back on and bigger pumps are brought in. The Company is also looking into opening behind pipe zones in some of the lower performing wells with the anticipation that the new production could be significantly higher than the lowest performing Devonian wells.

Mr. Barry Lasker reports, "We are pleased to report that our water injection facility is now operational again and that capacity has been improved as expected. The Company can now revisit several wells at Crossroads with the view to maximizing production from existing zones and by opening up new behind pipe zones. EOR continues to focus on the goal of ending 2010 producing 1000 barrels of oil per day and the re-activation of the 304 well puts us back on that track. We will provide additional information on the workover program as it comes to hand."

The Company also announces the grant of 2,900,000 incentive stock options to management and staff entitling the purchase, for a period of five years, of 2,900,000 shares of the company at a price of \$0.30 per share pursuant to the terms of the Company's Stock Option Plan approved by shareholders on September 10, 2009. The award of options is contingent on achieving certain milestones as part of the overall development of the Company's business plan. Such milestones include cash flow and production targets, operational targets and financial measures to name a few. Options will vest until such targets have been met and approved for issuance by the compensation committee.

About Enhanced Oil Resources Inc.

Enhanced Oil Resources Inc. is an early-stage company, with two principal business segments of

- (i) Crude oil and natural gas production through secondary and enhanced oil recovery ("EOR") projects it is initiating in the Permian Basin on oil fields acquired by the Company in 2007 and 2008 for that purpose.
- (ii) Helium and CO₂ resource exploration and production through property interests it controls in approximately 251,000 gross acres of land within the St Johns Helium/CO₂ field in Arizona and New Mexico, and where the Company is developing what is thought to be the largest undeveloped helium and carbon dioxide field in North America.

Forward-Looking Statement

Certain statements contained herein are forward-looking statements, including statements relating to Enhanced Oil Resources' operations; business prospects, expansion plans and strategies. Forward-looking information typically contains statements with words such as "intends," "anticipate," "estimate," "expect," "potential," "could," "plan" or similar words suggesting future outcomes. Readers are cautioned not to place undue reliance on forward-looking information because it is possible that expectations, predictions, forecasts, projections and other forms of forward-looking information will not be achieved by Enhanced Oil Resources. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties. A change in any one of these factors could cause actual events or results to differ materially from those projected in the forward-looking information. Although Enhanced Oil Resources believes that the expectations reflected in such forward-looking statements are reasonable, Enhanced Oil Resources can give no assurance that such expectations will prove to be correct. Forward-looking statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by Enhanced Oil Resources and described in the forward-looking statements or information. The forward-looking statements are based on a number of assumptions which may prove to be incorrect. Readers should be aware that the list of factors, risks and uncertainties set forth above are not exhaustive. Readers should refer to Enhanced Oil Resources' current filings, which are available at www.sedar.com, for a detailed discussion of these factors, risks and uncertainties. The forward-looking statements or information contained in this news release are made as of the date hereof and Enhanced Oil Resources undertakes 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 laws or regulatory policies.

ON BEHALF OF THE BOARD OF DIRECTORS

"signed"

Barry D Lasker, CEO

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For further information: visit our Website at www.enhancedoilres.com or please call Don Currie on 1-888-990-3551