



Enhanced Oil Resources Inc. announces final approval of St. Johns Helium/CO₂ unit in Arizona and receives 12 month drilling extension

HOUSTON, Jan. 12 /CNW/ - Enhanced Oil Resources Inc. (TSX-V: EOR) announces that it has received final approvals for the formation of the St Johns Gas Unit, a 171,000 acre unit, located in Apache County, Arizona.

As previously reported the final approval of the Unit Agreement was subject to the final sanction by the federal government and review and approval by the Arizona State Land Commissioner of any substantive changes recommended by the federal government. Participation in the Unit is voluntary and parties may join on their own volition. Ridgeway Arizona Oil Corp has been designated as the Unit Operator and currently has a 100% working interest ownership in the Unit. The Unit Agreement calls for the orderly development of the Unit area over a 5 year period from the effective date of February 1, 2009 and included a minimum work program of 5 wells over the initial 12 month period. In mid 2009 the Company requested that, due to the considerable amount of time between conditional approval and final approvals, a 12 month extension be granted to complete the required minimum work program thereby extending the work commitment from the first anniversary to the second anniversary. By letter from the Arizona State Land Department dated January 6, 2010 that extension has now been granted.

Chief Executive Officer Barry Lasker stated "The approval of the St Johns Unit Agreement by the State of Arizona, the Bureau of Land Management and other stakeholders is a significant milestone in moving us further along to developing the St Johns resource. This is the first Unit Agreement of its kind in the State of Arizona and has reached its conclusion through many hours of discussion and collaboration between Ridgeway, its lawyers and consultants and members of the Arizona State Land Department. The extension to the second anniversary for the 5 well drilling commitment will allow the Company to plan for these wells in a timely fashion. We look forward to working with the State Land Department, land owners and other interested parties as we move forward with the project."

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 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

Barry D Lasker, CEO

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