



ENHANCED OIL RESOURCES PROVIDES CORPORATE UPDATE

HOUSTON, June 24 /CNW/ - Enhanced Oil Resources, Inc. (TSX-V: EOR) (the "Company") today provides the following corporate and operational update.

The Company has been working on a number of initiatives in recent months, including development drilling and testing at the St. Johns CO(2) field, implementing a CO(2) pilot project at the Milnesand oil field, extending the work-over programs at Milnesand and Chaveroo, acquiring additional oilfields within the Permian Basin, finalizing our TSX listing application, making key corporate hires and securing additional financing to ensure we can reach our goals for 2008.

We have completed the drilling and testing of 15 wells at the St. Johns field as part of our 2008 program. Data from these wells were provided to W. M. Cobb and Associates ("Cobb") in order to update a resource study completed in 1999 and revised in 2005. The recent testing of both the Granite Wash and the Amos Wash intervals at rates of up to 6.5 million cubic feet per day (mmcfpd) and 5.4 mmcfpd respectively have dramatically improved the deliverability potential of the field and will potentially reduce the overall capital requirements for the field's development. More importantly, this year's improved test results have accelerated the overall production capabilities of the field, with approximately 75% of the production now possible over a 20 year period rather than the previously anticipated 40 year period. All drilling data, as well as the 2008 Cobb report have now been provided to the independent engineering firm of Cawley, Gillespie and Associates who are in the process of completing a reserve report that will quantify the Proven, Probable and Possible reserves at St. Johns. We expect to receive the final reserve report within 30 to 45 days.

All surface facilities are now in place on the Milnesand CO(2) pilot flood. We are currently completing a down-hole work over of the CO(2) injection well and we hope to have CO(2) injection commencing within the next two weeks. The water injector wells on the outside of the pilot area are all injecting and the pilot area is pressuring up as expected. Total daily injection is averaging approximately 1,000 barrels of water per day.

The Company has been continuing a work-over program at the Milnesand and Chaveroo fields causing current production to increase to approximately 140 barrels oil per day (bopd). With the acquisition announced earlier this month, our daily production has increased to approximately 180 bopd. We are currently reviewing additional work-over potential at our oilfields and expect to start a 40-well work-over program later this summer. As a result of our activity, we hope to have total production of 220 to 250 bopd by the end of the year.

On the pipeline front, SunCoast Energy has recently executed a partnership agreement with Estrella Energy, LP ("Estrella") to jointly develop the Permian CO(2) pipeline project. As previously announced, the proposed pipeline will run approximately 350 miles from the Company's St. Johns Helium/CO(2) field located on the border of Arizona and New Mexico,

to the Permian Basin of New Mexico and West Texas. The founders of Estrella, David Biegler and Mike Hunter, have a strong track record in the pipeline, processing and midstream business segments. They were part of the management team responsible for creating Regency Gas Services through the acquisition and development of various gathering, processing and pipeline businesses, that was sold to Hicks, Muse (a private equity fund). Estrella brings extensive management talent, knowledge and experience in the pipeline business to complement the existing management team at SunCoast. The combined partnership team will create a new special purpose entity that will build, own and operate the new pipeline project. The SunCoast-Estrella partnership creates a world class team of executives that will develop the pipeline project that will enable the Company to achieve our business plan objectives.

We are currently reviewing the final application documents for our Toronto Stock Exchange (TSX) listing. As part of the listing process we are awaiting an update from Sproule and Associates on the Milnesand reserve report. Our initial report received earlier this year did not meet the minimum reserves value of \$3mm CDN (PV20%) required under the TSX rules. The aforementioned work-over activity completed during the first quarter of 2008 that increased daily production from approximately 60 bopd to 75 bopd was subsequently added to the reserve report. We expect the new report to meet the minimum reserve requirements and be available within the next two weeks. We hope to have the completed application into the Exchange shortly thereafter.

We have recently hired several new oil and gas professionals. On July 1, a new Chief Accounting Officer joins the Company and will be responsible for the completion and timely filing of our quarterly and annual financials. In addition, we have hired a senior landman to assist in the land management of our assets in New Mexico and Arizona. We continue to search for a Chief Operations Officer to manage the day-to-day operations of the Company, allowing other senior management to allocate more time to overall business strategy and meeting the needs of the Company's shareholders and other stakeholders.

The Company recently announced a financing of up to \$35 million in both a brokered and non-brokered structure targeting the institutional investor in North America and Europe. Financing is required to ensure that the Company is positioned to take advantage of available oilfield acquisitions. While there is no guarantee that a large acquisition can be made, access to additional capital make such an opportunity more likely. This financing provides the Company with the ability to move diligently should an appropriate opportunity arise.

Finally, we have been busy with our marketing efforts by presenting at the IPAA conference in New York, the Finance and Energy conference in Geneva and Zurich and completing road shows in Europe and much of the US. We intend to present at several conferences in the coming months as we continue to introduce new investors to the EOR story.

About Enhanced Oil Resources

Enhanced Oil Resources, Inc. (EOR) is an early-stage company focused on developing the St. Johns Helium/CO(2) field, and producing oil via enhanced oil recovery processes using CO(2) injection in the United States. The Company owns and operates the St. Johns Field, the largest undeveloped helium and CO2 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

THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

For more information visit our Website at www.enhancedoilres.com. Retail investors please call Don Currie on 1-888-990-3551. Institutional investors please call Stephanie Feldman of EnerCom, Inc. at (303)-296-8834.