



ENHANCED OIL RESOURCES INC. PROVIDES CORPORATE UPDATE

HOUSTON, May 14 /CNW/ - Enhanced Oil Resources, Inc. (TSX-V: EOR) today provides the following update on corporate and operational activity.

At the St. Johns Helium and CO₂ field the Company is preparing development plans for the drilling of 5 wells under the Arizona Unit Agreement agreed work program. The Unit agreement calls for the drilling of 5 wells within 12 months after receiving final approval of the Unit. The State of Arizona approved the Unit agreement on April 8th 2009, however the approval of the Unit Agreement is subject to the final sanction by the federal government and review and approval by the State Land Commissioner of any substantive changes recommended by the federal government.

As previously reported the Company has engaged Tristone Capital to explore potential joint venture opportunities for the Company's interests in the St. Johns Helium and CO₂ Field in Arizona and New Mexico. Following data collection the Tristone managed data room was opened on April 14th 2009. Several interested parties have visited the physical and virtual data rooms and reviewed the data. The data room is expected to remain open until May 22nd. While the Company cannot guarantee a formal agreement of any type, we remain encouraged by the interest shown so far. Further updates on the joint venture process will be provided in the near future.

The Company continues to produce approximately 200 barrels of oil per day (bopd) from its oilfields in New Mexico and the Milnesand pilot project continues with CO₂ injection and is performing as expected. The net revenue from our crude oil sales currently covers approximately 25% of our monthly overhead.

At our oilfields in New Mexico we continue to reduce operating costs where possible and continue to focus on low cost production enhancement operations and the Milnesand CO₂ pilot flood area. The process has begun at our Chaveroo field to expand the Jennifer Unit, increasing the size from 5,500 acres to approximately 12,000 acres. The expanded unit will greatly assist the process of implementing a CO₂ flood at Chaveroo in the future. The production cycling program at Chaveroo continues and has further cut our crude oil lifting cost from \$27.11 per barrel oil equivalent ("boe") averaged for the fourth quarter of 2008 to approximately \$19.00 per boe without affecting overall production rates. We anticipate further decreases in operating expenses as efficiencies improve and service costs continue to decrease. At Milnesand, the CO₂ pilot flood area has been under continuous CO₂ injection for eight months and the positive upward trend in production announced last month is continuing. While it is early in the process we remain very encouraged with the results to date. During the third quarter we expect to produce a mid-year engineering report that will evaluate the proved reserves, if any, that can be categorized from the underlying contingent resources in our San Andres oilfields.

The Company also announces the grant of 1,200,000 incentive stock options for the purchase, for a period of five years, of 1,200,000 shares of the company at a price of \$0.44 per share pursuant to the terms of the Company's Stock Option Plan approved by shareholders on September 4, 2008. Exercise of the of options is contingent on achieving certain milestones as part of the overall development of the Company's business plan.

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

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.