



ENHANCED OIL RESOURCES, INC. SIGNS PIPELINE MEMORANDUM OF UNDERSTANDING WITH SUNCOAST ENERGY

HOUSTON – March 18/CNW/ – Enhanced Oil Resources, Inc. (the Company or EOR, Inc.) (TSX-V: EOR) today announced the execution of a Memorandum of Understanding (MOU) for the development of the Company’s pipeline project with privately held SunCoast Energy Corporation (SunCoast). The proposed pipeline will run 350 miles from the Company’s St. Johns Helium/CO₂ field located on the borders of Arizona and New Mexico, to the Permian Basin of New Mexico and West Texas. The proposed pipeline will initially transport 350 million cubic feet per day (MMcfd) of CO₂ for injection into depleted oil fields located within the Permian Basin. The pipeline is expected to be designed to transport 500 MMcfd once expanded to full capacity. Details of the agreement include:

- SunCoast will have the rights to develop, own, operate and manage the pipeline project.
- EOR, Inc. has reserved the rights to the first 175 MMcfd of capacity in the pipeline to inject into its own oilfields in the basin and for other targeted oilfields.
- EOR, Inc. will have the right to increase its capacity rights in the pipeline upon completion of the expansion.
- EOR, Inc. will deliver to SunCoast a reserve report which will underpin the construction of the pipeline. The reserve report, prepared jointly by William M. Cobb & Associates and Cawley, Gillespie & Associates, is slated for completion in mid-to-late second quarter.
- Both EOR, Inc. and SunCoast have certain obligations to fulfill over a six-month period following delivery of the reserve report.

EOR, Inc.’s President and CEO Barry Lasker said: “The execution of the pipeline MOU with SunCoast represents the achievement of another benchmark for our Company. We continue to execute our plan to actualize production from St. Johns by late 2010, and we look forward to working with John Baker and the SunCoast team.”

SunCoast Chairman and CEO John Baker said: “The pipeline will connect a new indigenous supply source of CO₂ to enhanced oil recovery projects located in the Permian Basin, resulting in improvements in oil recovery efficiency thus increasing domestic oil production. We are confident the pipeline project will be supported by the producer community in the Permian Basin and look forward to obtaining firm capacity commitments sufficient to support the pipeline project.”

About Enhanced Oil Resources

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

About SunCoast Energy Corporation

SunCoast Energy Corporation is a privately held Texas corporation with extensive knowledge and experience in the pipeline business. Mr. Baker, Chairman and CEO of SunCoast, has held various senior management and executive positions in the natural gas industry, including serving as President and COO of United Gas Pipe Line Company and Executive Vice President of United Gas Holding Company, Inc., now known as Gulf South Pipeline. Prior to coming to United, Mr. Baker served as EVP of Operations of Arkla’s Pipeline Group, President and COO of Arkla Energy Resources and President of Arkla Chemical Company, all divisions of Arkla, Inc, now a part of CenterPoint Energy. For more information, please contact John Baker at 713-965-9888 or email mjbaker@suncoastenergy.com

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.

Contact Information

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.

ON BEHALF OF THE BOARD OF DIRECTORS



Barry D Lasker, CEO

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