



Enhanced Oil Resources Inc. Announces Production Increase at Crossroads Devonian Unit, Lea County, New Mexico

HOUSTON, Aug. 10 /CNW/ - Enhanced Oil Resources Inc. (TSX-V: EOR) today announces the activation of the Crossroads No. 302 well at the Company's wholly owned Crossroads Siluro-Devonian Unit in Lea County, New Mexico. The Crossroads No. 302 was reactivated on July 30th and has averaged approximately 130 barrels of oil per day (BOPD) since production recommenced. The well is currently producing 120+ BOPD and Unit production has averaged 232 BOPD during the first 9 days of August. Company wide production has averaged approximately 332 BOPD for the same period. The No. 302 reactivation is one of a series of capital expenditure projects targeted to increase the Company's daily oil and gas production. Since the Company's acquisition of the Crossroads Siluro-Devonian Unit, average daily production has increased 550%.

In May 2008, at the time of the Company's acquisition, the Crossroads Unit was producing an average of 36 BOPD. In July 2008, the Company successfully activated the Crossroads No. 303 well increasing the average daily production of the Unit to 80 BOPD for the period July 2008 through February 2009. In February 2009, the Company reactivated the Crossroads No. 202 well with daily production increasing to above 110 BOPD. The latest reactivation at the No. 302 well has greatly increased daily production to 235 BOPD and is one of up to 5 wells that the Company plans to reactivate over the next 4 to 6 months. Total expenditure on the 2008/2009 reactivation plan, to date, has been less than \$500,000.

Mr. Barry Lasker reports, "With our recent successful reactivation of the Crossroads No. 302 well, the Company has averaged in excess of 320 bopd during the first 9 days of August. The Company will continue to identify capital expenditure projects, in Crossroads and elsewhere, that result in near term positive cash flow and to prudently implement these plans during the current slowdown in demand for goods and services in the oil industry. Our current year-to-date operating cost at Crossroads is less than \$6 per barrel and at current oil prices of \$70 per barrel the approximate netback to the Company's interest should be above \$45 per barrel. As part of our near term plan to generate positive cash flow from operations our exploitation efforts are currently being focused on implementing additional workovers at Crossroads to increase these high net back barrels."

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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 CO(2) resource exploration and production through property interests it controls in approximately 251,000 gross acres of land within the St Johns Helium/CO(2) 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

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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.

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ON BEHALF OF THE BOARD OF DIRECTORS

(signed)

Barry D Lasker, CEO

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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

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