



**For Immediate Release: Tuesday, September 25, 2007**

## **HERITAGE OIL PROVIDES UGANDA OPERATIONS UPDATE**

Calgary, Alberta, September 25, 2007 – Heritage Oil Corporation (TSX: HOC) today provides an update on its operations in Block 3A and Block 1 in Uganda, where the work programs have been accelerated following the discovery of a major new hydrocarbon system in the Lake Albert Basin. This discovery includes the successful Kingfisher-1 discovery well earlier this year, which production tested at rates of approximately 13,900 barrels of oil per day. Extensive 3D and 2D programs have identified a number of extremely attractive targets in Blocks 3A and 1, for which multi-well drilling programs are planned to commence early in the first quarter of 2008.

### **Seismic Acquisition Programs**

#### **Block 3A**

A 325 sq km 3D seismic survey was acquired over the Kingfisher and neighbouring Pelican structures during the summer and is currently in the process of being interpreted. The improved 3D data quality confirms that the Kingfisher structure is very large, with an areal extent of between 70 and 100 square kilometres. The data also identifies a number of appraisal/development targets within the Kingfisher structure for a multi-well drilling program from land and on the lake.

The 3D data indicates the Pelican structure is closed with a roll-over into the basin margin fault giving four-way dip closure. This very attractive structure, to the north east of Kingfisher, is drillable from the lake.

A 530 km 2D seismic acquisition program has just been completed in Block 3A in Lake Albert, thereby completing seismic acquisition for this block enabling appraisal and development drilling phases to commence on Kingfisher as well as exploration drilling elsewhere on the block. This most recent program was acquired using the same high resolution equipment as the 3D survey, to in-fill previously acquired 2D surveys and cover previously un-surveyed areas of Lake Albert, in order to identify additional drilling targets.

#### **Block 1**

A 2D seismic survey is also being acquired in Block 1. The original 500 km program has been extended due to positive results from the initial 172 km survey in the southern part

of the block, where a trend of relatively shallow structures has been identified with associated amplitude anomalies. An in-fill program in the southern part of the block is now also being acquired to further define drilling targets on this structural trend. Oil is known to have migrated into Block 1, as evidenced by the active oil seep within the block located at Paraa, this with the presence of amplitude anomalies further supports the presence of hydrocarbons within the block.

## **Drilling Programs**

### **Block 3A**

The high-impact Kingfisher appraisal drilling program is scheduled to commence at the beginning of 2008, following the release of the Nabors 221 rig, upon completion of scheduled drilling operations in neighbouring Block 2. This same land rig will be used to drill up to three appraisal wells from onshore on Kingfisher, as it has the capability to reach the depth of the primary target horizon not reached by previous Kingfisher drilling. The previous Kingfisher-1 well produced approximately 13,900 barrels of oil per day from shallower secondary target horizons.

Drilling of the Pelican prospect and other prospects in the lake identified by recent seismic programs is planned to commence in the second half of 2008. Tender documents to obtain a rig have been issued recently.

### **Block 1**

The drilling program in Block 1 has been accelerated following drilling success in neighbouring licenses, as well as the exciting results from the current seismic program. A two to three well exploration drilling program is scheduled to commence early in the first half of 2008, concentrated on the shallower targets in the southern part of the block. Tender documents are currently being evaluated to contract a rig.

## **Incident**

There has been certain inaccurate reporting of two incidents on Lake Albert that took place yesterday. Security has increased recently and the United Nations is maintaining a presence and undertaking periodic routine checks to provide further stability in the region. One such inspection took place yesterday when a United Nations boat made contact with one of Heritage's seismic vessels. This vessel was within Ugandan waters in Lake Albert in the process of lifting cables to mark the completion of the seismic survey. This was a routine check, not hostile, and there was full co-operation. After a short interview at shore the vessel and crew were released and returned to base in Uganda. In a separate, unrelated, isolated incident there appears to have been a clash between border forces. No employees or sub-contractors of Heritage were involved. It is apparent that following the recent Presidential summit the Governments of Uganda and the Democratic Republic of Congo are trying to resolve any issues peacefully so that events should not escalate.

Heritage is an international oil and gas corporation with a diversified portfolio of properties, including a producing property in the Sultanate of Oman, a development property in Russia and exploration projects in the Republic of Uganda and the Democratic Republic of Congo. The Company is also pursuing opportunities in the Kurdistan region of Iraq and in other areas of Iraq.

The Company's Common Shares trade on the Toronto Stock Exchange under the symbol HOC.

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**FORWARD-LOOKING STATEMENTS:**

Except for statements of historical fact, all statements in this news release – including, without limitation, statements regarding production estimates and future plans and objectives of Heritage – are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from those anticipated in such statements. Factors that could cause actual results to differ materially from anticipated results include risks and uncertainties such as: risks relating to estimates of reserves and recoveries; production and operating cost assumptions; development risks and costs; the risk of commodity price fluctuations; political and regulatory risks; and other risks and uncertainties as disclosed under the heading "Risk Factors" in its AIF and elsewhere in

Heritage documents filed from time-to-time with the Toronto Stock Exchange and other regulatory authorities. Further, any forward-looking statement is made only as of a certain date and the Company undertakes no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or reflect the occurrence of unanticipated events, except as may be required by applicable securities laws. New factors emerge from time to time, and it is not possible for management of the Company to predict all of these factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.