



## Press release

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### NEW DISCOVERY IN TEXAS

- Texas Arch # 2 well is completing
- Texas Arch #1 is being re-drilled
- Kansas well is drilling

**Texas Arch #2 well tested a significant gas flow. The test result shows a rate of 1,014 MCFD and will increase Gingers cash flow by approximately \$17,000 per month. The re-drilling of Texas Arch #1 has resumed. The first of two exploration wells in Kansas has begun.**

On December 17, 2007, a gas-bearing zone was stimulated to produce at greater rates through the use of an "acid frac" treatment.

The most recent test rates taken are as follows:

1,014 MCFD (thousand cubic feet of gas per day) plus 24 BW (barrels of water) on a 26/64-inch diameter choke and with 360 psi flowing tubing pressure. The water that is flowing back is from the spent acid water that was injected into the formation. Ginger has a 10% working interest and a 7.5% revenue interest in this well and in 15,000 net acres over prospective areas that surrounds this well site. The actual well name and location are not revealed at this time for competitive reasons. This will add approximately \$17,000 per month to our cash flow.

The size of the gas reserves will be estimated after production performance is studied. The well will be placed on production in approximately three months time. If the well performs as expected there are a number of additional locations available in this prospect closure on which to drill.

Ginger is part of a group that has assembled the mineral leases that over lay five separate prospects. There are dual target formations in these closures. Additional locations can be drilled on this prospect and there are four other areas identified to be drilled and on which we hold the mineral leases.

Ginger and partners are also re-drilling a second prospect, Texas Arch #1, in this same area. The initial effort on this well was halted on August 1, 2007 after mechanical conditions prevented further drilling. The re-drill commenced on November 4, 2007 and is progressing smoothly, drilling at 8,200' and is expected to reach total depth within 10 days.

Ginger and partners are encouraged by the test results of Well #2 and are in a strong position to aggressively capitalize on our potential success.

Ginger is operator for the first of two exploratory wells in Kansas It has reached total depth of 5,400' and is currently being logged. Results will be known after the well has been logged, and testing has been performed. The second well will commence immediately after the first well. Ginger has a 25% working interest in these wells and in the 5,000 acre leases surrounding these wells. An oil zone at 5,000 feet is the primary target.

### FOR ADDITIONAL INFORMATION, PLEASE CONTACT:

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