

IBERIA FIELD - DRILLING RIG CONTRACT SIGNED

SK E&P, GINGER'S OPERATOR IN IBERIA FIELD HAS SIGNED A CONTRACT WITH GREY WOLF DRILLING COMPANY, CONCERNING THE DRILLING OF TWO WELLS IN IBERIA PARISH, LOUISIANA.

The first of two prospects is estimated to spud October 8, 2005. The drilling operation will take about one month. The second well that will be drilled from the same location is estimated to take three weeks to be drilled. Ginger's net revenue interest is 13.5%.

If the wells are successful flow rates of up to 5 to 10 million cubic feet per day per well can be expected. The gas price today is \$12.40 per thousand cubic feet. The wells in this area are categorized high risk, which means the chance of success is estimated at 25%.

No damage has been assessed to Ginger's facilities due to hurricane Katrina and Rita. Production at our three wells in the Barataria area, south of New Orleans is estimated to resume by November 1st according to our operators.



Grey Wolf drilling rig

For additional information please contact:

Hans Blixt

281 681 8600 x 205 or e-mail hblixt@gingeroil.com

Don Neville

281-681-8600 x 206 e-mail dneville@gingeroil.com

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