

Texalta Enters Into \$22.4m LOI for Development of SE Saskatchewan

TEXALTA PETROLEUM LTD [TEX.A](#)

9/14/2009 2:14:24 PM

CALGARY, ALBERTA, Sep 14, 2009 (Marketwire via COMTEX News [Network](#)) --

Texalta Petroleum Ltd. ("Texalta") (TSX VENTURE:TEX.A) is pleased to announce that it has entered into a Letter of Intent dated September 14, 2009, with Rogers Oil & Gas Corp. ("Rogers") with headquarters in Phoenix, Arizona, USA. Rogers will commit up to \$22.4 million to earn a fifty percent interest in a series of development wells located in three southeast Saskatchewan project areas. The funds will be used to satisfy capital requirements to drill and complete up to 16 wells. The transaction is subject to due diligence and is scheduled to close on or about January 15, 2010.

The transaction remains conditional upon Rogers completing due diligence to its satisfaction and to raising the funds needed to carry out this project.

Texalta continues to have cash on hand and [cash flow](#) dedicated to the current drilling and completion plans. Texalta produces approximately 175 boe per day at an average cost of \$12 per bbl and has no debt.

TEX.A is a Calgary based [company](#) engaged in the exploration, acquisition and development of prospective oil & gas properties in Saskatchewan and Alberta, Canada. The company's wholly owned subsidiary, Texalta Australia Pty. Ltd. holds 82 percent working interest in two exploration permits covering in excess of 5.5 million acres of prospective land in the Georgina Basin, Northern Territory, Australia.

Note: BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1bbl is based on an [energy](#) equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

SOURCE: Texalta Petroleum Ltd.