



## Press Release

### 2008 Guidance and Operational Update

FOR IMMEDIATE RELEASE – November 26, 2007

#### 2008 Guidance

**CROCOTTA ENERGY INC. (TSX – CTA)** ("Crocotta") is pleased to announce its Board of Directors has approved a 2008 capital budget of \$25 million. The capital program is forecasted to yield average 2008 production of 2,600 boepd comprised of approximately 65% gas, 25% light oil and 10% natural gas liquids.

Crocotta's 2008 capital projects will be focused in three areas - West Central Alberta (Niton, Carrot Creek, Smoky), Southern Alberta Foothills (Lookout Butte), Peace River Arch (Sinclair, Elmworth). Approximately 60% of the budget will be allocated to drilling, completions, and tie-ins while 40% will be used to expand core areas through acquisitions and additional farm-ins.

The 2008 capital program will be funded entirely through cash flow and may be adjusted up or down pending commodity prices and drilling success. Net Debt is projected to be approximately \$11 million at December 31 2007 and remain at that level or be lower throughout 2008.

#### Operational Update

Crocotta is currently producing approximately 2,100 boepd and is currently tying in wells that will allow the Company to achieve an exit rate of approximately 2,400 boepd.

Crocotta's Q407 capital budget is approximately \$11 million with over \$6 million spent on exploration to fulfill assumed flow-through obligations. Exploration includes a Cardium well at Smoky, a Mannville test at Lookout Butte, and a Mannville test at Niton. The balance of the capital will be used for recompletions, pipelines and facilities.

Crocotta has also recently received AEUB approval to waterflood its 100% owned Rock Creek W pool at Niton. Facility construction and conversion of certain wells to injectors will commence in January 2008 with additional production in February 2008. Crocotta will initially increase the pool production by approximately 300 boepd (wells previously restricted due to allowables) and then monitor the flood performance.

This press release may contain forward-looking information that involves a number of risks and uncertainties that could cause actual results to differ materially from those anticipated. For this purpose, any statements herein that are not statements of historical fact may be deemed to be forward-looking statements. Such risks and uncertainties include, but are not limited to: risks associated with the oil and gas industry (e.g. – operational risks in exploration, development and production; changes and/or delays in the development of capital assets; uncertainty of reserve estimates; uncertainty of estimates and projections relating to production and costs; commodity price fluctuations; environmental risks; and industry competition).

For further information, please contact:

**CROCOTTA ENERGY INC.**

700, 639 –5<sup>th</sup> Ave SW  
Calgary, Alberta T2P 0M9  
[www.crocotta.ca](http://www.crocotta.ca)

Rob Zakresky  
President and Chief Executive Officer  
Phone: (403) 538-3736

Nolan Chicoine  
Vice President, Finance and Chief Financial Officer  
Phone: (403) 538-3738