

## **PAN ORIENT ENERGY CORP.**

(Listed on the TSX Venture Exchange - Symbol "POE" – 41,634,842 common shares issued)

Press Release

### **THAILAND: L44-H TESTS AT 1,265 BBL/D**

**September 20, 2007**

#### **L44-H Appraisal Well (60% WI & Operator)**

Pan Orient Energy Corp.'s Na Sanun East ("NSE") oil field appraisal well L44-H is on production at a stabilized rate of 1,265 barrels per day of 35 degree API crude with a BS&W that is currently varying between 0.7% to 1.2% and continues to decrease as the well unloads some of the 1,100 barrels of drilling fluid lost into the formation during drilling operations. The well is free flowing on choke settings of 8/64 inch on the annulus and 17/64 inch on the tubing. Flowing casing head pressure is 220 psi and flowing tubing head pressure is 280 psi. The well appears capable of oil production at much higher rates.

L44-H penetrated the top 14.5 meters of the first target volcanic reservoir interval at a depth of approximately 866 meters. Lost circulation (an indicator of good quality, fractured reservoir) was encountered at three levels with total drilling fluid losses of more than 1,100 barrels. Electric logs indicated the best volcanic reservoir section yet encountered in any well, throughout the entire 14.5 meter thick volcanic interval.

L44-H is the first appraisal well drilled into the central fault compartment of the NSE structural closure. Test results confirm the hydrocarbon potential of this second large NSE fault compartment that is in addition to the area of confirmed hydrocarbon potential within the southern fault compartment of NSE that was penetrated by the producing POE-9 and NS3-D1 wells.

An additional three well locations have been built for wells to appraise the NSE central fault compartment tested by L44-H, with plans to drill these wells by year end. One of these wells will attempt to define the currently unknown oil water contact. An additional seven drilling locations in the central fault compartment are anticipated to receive environmental approval within the next 30 days.

#### **L44G-D1 Appraisal Well (60% WI & Operator)**

Well L44G-D1 was a deviated well that has now been drilled to a total measured depth ("MD") of 1,136 meters (907 meters true vertical depth ("TVD")) and is 585 meters northwest of the previously drilled L44-G vertical well. The L44-G well was suspended pending the completion of drilling at L44G-D1 due to the close proximity of the two well's concrete cellars that did not allow access for a service rig while the AZTEC #14 was drilling on location. Both wells are located within the large, yet untested northern fault compartment of the NSE structural closure.

L44G-D1 encountered multiple potential volcanic reservoirs at 736-755, 771-804, 836-850, 867-896 and 955-1,136 meters MD. These intervals are in addition to the approximately 80 meter thick volcanic zone encountered in the first logging run prior to setting intermediate casing. Lost circulation (an indicator of good reservoir development) of 17 bbls/hr was encountered at 867 meters MD and 53 bbls/hr at 1,112 meters MD. Numerous oil shows and high mud gas readings were observed throughout the entire well.

Multiple tests of multiple zones in both L44G-D1 and L44-G are expected to commence shortly with results anticipated within 21 days.

#### **NS8-D1 Development Well (60% WI & Operator )**

The Aztec #7 rig has moved off location L44-H and is currently drilling ahead at a depth of 100 meters on deviated well NS8-D1, located within the south fault compartment of NSE structural closure between the producing NS3-D1 and POE-9 wells. Drilling is anticipated to take 14 to 21 days to completion.

#### **NS2-D1 Development Well (60% WI & Operator)**

The Aztec #14 rig is 70% moved off of location L44G-D1 and is rigging up on NS2-D1, located within the south fault compartment of the NSE structural closure between the producing NS3-D1 and POE-9 wells. Drilling is expected to commence in 4 days and anticipated to take 14 to 21 days to completion.

#### **Outlook**

Pan Orient President and CEO, Jeff Chisholm, stated: "We are very pleased with both the test results at L44-H, nearly doubling the overall concession production levels, and the initial indications of the hydrocarbon potential of the L44-G and L44G-D1 wells.

We have an inventory of 8 drilling locations that are currently built and ready for wells targeting the NSE structural closure and expect environmental approval for another 19 locations at NSE and 15 locations at Wichian Buri/POE-6 to be granted in October. Another 6 exploration drilling locations are either built and ready, or purchased and awaiting drill pad construction. Exploration wells will be folded into the current appraisal and development drilling program as circumstances dictate.

On our 100% owned, onshore Thailand L53 concession, a large 3D seismic program is 30% complete with the final processed data anticipated by December and exploratory drilling targeted in Q2 2008."

Pan Orient is a Calgary, Alberta based oil and gas exploration and production company with operations currently located onshore Thailand and in Western Canada.

*This news release contains forward-looking information. Forward-looking information is generally identifiable by the terminology used, such as "expect", "believe", "estimate", "should",*

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