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**FOR IMMEDIATE RELEASE****LEOR CLOSES \$150,000,000 REVOLVING CREDIT FACILITY WITH JPMORGAN CHASE BANK**

**HOUSTON** (January 18, 2007)—Leor Energy L.P. (Leor) is pleased to announce that, following a ten-fold increase in the company's production since last Spring, it has entered into a \$150,000,000 three-year senior secured, revolving credit facility with JPMorgan Chase Bank, N.A. as lead agent. Proceeds from the credit facility will be used to fund its share of an aggressive seven-rig drilling program currently underway with a subsidiary of EnCana Corp. (NYSE: ECA), Leor Energy's industrial partner in the Deep Bossier trend in East Texas.

Commenting on the facility, the company's Chief Financial Officer, Mark Cozzi, said that "With the closing of the JPMorgan Chase revolving credit facility, Leor has achieved an important and impressive milestone. The attractive size and terms of this credit facility provide yet another indication of the remarkable transformation of Leor Energy over the past two years from venture capital start-up to one of the fastest growing privately-held natural gas producers in North America with already substantial reserves and assets. The credit facility gives Leor ample opportunity to capitalize on its successful growth trajectory with enhanced financial flexibility. As the company builds its reserve base, the revolver-based structure will enable the company to lower its cost of capital while also giving it the capability to pursue attractive business opportunities that are consistent with Leor's long-term strategy."

Leor and JPMorgan Chase structured the facility around present production and future growth. While to date there has been no draw-down of the facility, Leor has the ability to draw \$40,000,000 of the \$150,000,000 revolving credit facility based on the current borrowing base. The new credit facility includes provisions that allow the company, subject to certain restrictions and lender approval over its term, to increase the revolving credit commitment borrowing base.

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**About Leor Energy:** Leor Energy, based in Houston, Texas, is one of the fastest-growing privately held oil and gas exploration and production companies in North America. Production from its flagship project, the Amoruso Field (field application pending), exceeded 90 MMcf/d

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gross during December 2006, up from 7 MMcf/d in April. Leor is an active player in the Deep Bossier trend, one of the most promising recent unconventional gas exploration plays. Including its interests in Amoruso Field, which is operated by a subsidiary of EnCana Corp. (NYSE: ECA), Leor Energy holds interests in over 150,000 acres in the Deep Bossier trend. Over the next eighteen months, Leor plans to drill several exploratory wells targeting Deep Bossier sands outside of Amoruso Field. The first of these wells spudded in the fourth quarter of 2006 and is permitted to approximately 18,000 feet. Other companies currently active in the Deep Bossier trend include: Anadarko Petroleum Corp. (NYSE: APC); Chesapeake Energy Corp. (NYSE: CHK); ConocoPhillips (NYSE: COP); and XTO Energy Inc. (NYSE: XTO). For more information on Leor Energy, please visit [www.leorenergy.com](http://www.leorenergy.com).