



## PRESS RELEASE

Trading Symbol: TEX.A : TSX Venture Exchange

**November 8, 2006**

### **West Queensdale Drilling and Wordsworth Update**

**Texalta Petroleum Ltd.** ("Texalta", the "Corporation" or the "Company") is pleased to announce that drilling operations have now started on the first of two new horizontal wells at West Queensdale, Saskatchewan. Texalta (25.55% working interest) and partners are planning to drill two development horizontal wells on the eastern side of the project area, which will offset a recent stepout vertical well at 8-25-6-2 W2 that produces from the Mississippian (Alida) formation. Drilling and completion of this first well named Petrex Texalta Queensdale W. HZ 1A9-25 / 4A2-25-6-2 W2 is expected to take approximately three weeks.

At Wordsworth, a permanent pumping unit was installed on the HZ 2A2-23 / 3A11-14-7-3 W2 horizontal well on October 2, 2006 and production from the well is now averaging 300 barrels of fluid per day approximately 65% to 70% oil (190 to 210 bbls/d). In order to move the production through the 8-26 facility more efficiently, a temporary separator has been installed on the site.

Texalta has recommended a stepout horizontal drilling location to the partnership at Wordsworth based on previously existing and new seismic data acquired over the past several months. Work should begin on this next well in the first quarter of 2007.

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*TEX.A is engaged in the exploration, acquisition and development of prospective oil & gas properties in Saskatchewan and Alberta, Canada. The company also holds a 50 percent working interest in two exploration permit applications covering in excess of 5.5 million acres of prospective land in the Georgina Basin, Northern Territory, Australia.*

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*This press release may include certain forward-looking statements. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ from those anticipated.*

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#### **Contact Information:**

Mr. William H. Nixon, President

Telephone: (403) 255-8380

Fax: (403) 255-8007

Email [texalta@texalta.com](mailto:texalta@texalta.com)

Web: [www.texalta.com](http://www.texalta.com)

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