

PRESS RELEASE

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For immediate release:

TSX Venture Exchange
Symbol (shares): CVI.A
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Calvalley Petroleum Successfully Tests Hiswah-3 Appraisal Well

Calgary, Alberta, February 16, 2005– *Calvalley Petroleum Inc.*

Calvalley Petroleum, Operator of Block 9 in the Republic of Yemen, is pleased to announce the completion of a successful horizontal appraisal well drilled into the Hiswah oil discovery.

The Hiswah-3 well was drilled with a vertical wellbore to a depth of 1306 metres in order to evaluate the oil-bearing Saar Formation. This vertical hole was used to gather reservoir data including three separate 9 metre cores. Independent petrophysical analysis has determined that Hiswah-3 intersected approximately 54 metres of net oil pay, over a 62 metre gross interval, with porosities ranging from 10 to 20 percent. Cores cut from the Saar oil column show good oil staining within fractured, high-energy carbonate grainstones.

A horizontal wellbore was drilled 372 meters into the Saar reservoir and was tested by Schlumberger Well Services in order to determine the productive capability of the pool. The well was tested using an electric submersible pump and flowed at a sustained rate of approximately 1,100 barrels per day of light, 35 degree API gravity crude. No formation water was produced during the test. Reservoir pressure was 1,410 psi and the test rate was achieved with only a 24 percent pressure drawdown. It is expected that during operations the well will be produced at a minimum 40 percent drawdown, which should yield a higher daily production rate than was established during the test. Independent engineering evaluation is being carried out at this time to establish other pertinent reservoir parameters.

The Hiswah-3 horizontal well was drilled using an innovative drilling fluid system which prevented fluid losses into the reservoir, eliminating the need to stimulate the well with acid and reducing the clean-up time prior to the start of clean oil flow. This mud system will be employed for subsequent Hiswah appraisal wells. Edmund Shimon, Calvalley's President, CEO & Chairman said, "the Hiswah-3 well exceeded our expectations and demonstrates the ability of horizontal drilling to unlock the potential of the Hiswah reservoir".

Hiswah-3 is the first of several horizontal appraisal wells planned for the Hiswah oil pool, as part of the 2005 Block 9 drilling program. The drilling rig is currently being moved to the next Hiswah well location, approximately 3 kilometers southeast of the Hiswah-3 well. This next well will test the south-eastern boundary of the field and will be drilled similarly to the Hiswah-3 well, with both a vertical hole used to gather reservoir data including core samples and if sufficient oil column is encountered, a horizontal production leg.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this news release.

This Press Release contains certain information that may constitute forward-looking statements under applicable securities laws. These statements are subject to unknown risks and uncertainties that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements.

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