

## FOR IMMEDIATE RELEASE

### Calvalley Petroleum Inc. – Yemen Operations Update

**Calgary, Alberta, April 18, 2006 – Calvalley Petroleum Inc. (TSX: CVI.A)**

Calvalley Petroleum Inc. (the “Company”), an international junior oil and gas company based in Calgary, Alberta, is pleased to provide the following update on its operations on Block 9 in the Republic of Yemen.

#### **Production and Delivery**

The Company is currently in the early oil production period that utilizes tanker trucks for transporting the crude westward from Block 9 to Block 18. The bottleneck at the Block 18 facility has been resolved by constructing a new truck offloading facility. On the start-up of the new offloading facility, oil production increased from the 2,000 barrels of oil per day (“bopd”) to 5,000 bopd and is expected to reach the allowable 10,000 bopd as set by the Yemeni Ministry of Oil and Minerals (the “Ministry”) by month’s end.

The Company intends to seek an approval from the applicable regulatory bodies in Yemen to increase trucking capacity beyond the allowable limit of 10,000 bopd. The current production is currently limited to the Hiswah 3 & 6 wells. Nearby horizontal wells Hiswah-7, 8, 9 and 10 are being completed and tied-in which will allow for the desired increase in oil production as well as provide for additional operational flexibility.

#### **Drilling and Completion**

- The Hiswah-15<sup>th</sup> horizontal well is currently being drilled and plans have been prepared to drill an additional six horizontal wells, with a further ten horizontal wells being designed.
- Since January 1, 2006, five horizontal wells have been drilled and a sixth is about to be completed. All the wells have encountered the oil-bearing Saar-Naifa formation. These wells are expected to add new proved reserves and will provide for an increase in the overall oil production.
- Completion of Hiswah 7, 8, 9 & 10 wells has been accomplished with each well equipped with a down-hole ESP pump which will be put on production upon flowline completion.

#### **Pipeline Gathering System**

Construction of a flowline gathering system within the Hiswah field commenced during the month of March. Hiswah 3, 6, 7, 8, 9 & 10 wells have been constructed and final connection should be completed by month’s end.

## Tender Awards

Tenders for various services including a second drilling rig and a service rig have been received. Evaluations were completed and most of the contracts have been awarded.

## Pipeline Transmission System

Preliminary design of a pipeline transmission system between Block 9 and 18 has been completed. A recommendation will be made to the Ministry to commence with the construction of twelve inch pipeline with minimum of four pump stations.

THE TORONTO STOCK EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

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