



## **MONTEREY EXPLORATION LTD. PROVIDES AN OPERATIONAL UPDATE WITH RESPECT TO CERTAIN OF ITS OPERATIONS IN THE GROUNDBIRCH AREA OF NORTHEAST BRITISH COLUMBIA**

CALGARY, November 22, 2009

Monterey Exploration Ltd. ("Monterey" or the "Corporation") (TSX: MXL) is pleased to provide an operational update with respect to certain of its operations in the Groundbirch area of Northeast British Columbia.

Monterey drilled and cased a 100 percent working interest horizontal Montney test well at 4-30-80-20W6M (the "4-30 well") and commenced completion operations on November 4, 2009. The 1800m horizontal section was fracture stimulated in 6 separate stages utilizing limited entry slick water multi-stage fracture technology. Completion operations also included the application of micro-seismic technology with recording equipment placed in Monterey's vertical offset monitor well at 3-25-80-21W6 for the duration of the completion. The micro-seismic data will be used in the evaluation of the 4-30 well and to assist in the design and optimization of the Corporation's future horizontal drilling and completion operations of the Montney formation in the Groundbirch area.

The 4-30 well was flow tested up 4-1/2 inch casing and had a measured natural gas rate of approximately 9.0 million cubic feet per day with a flowing wellhead pressure of 7,000 kilopascals after 48 hours of continuous production testing. The well is now shut-in for pressure buildup and Monterey is currently processing and evaluating the micro seismic data to obtain a better technical understanding of the overall effectiveness of the fracture stimulation. The estimated total cost to drill and complete this well was \$6.1 million in line with the original budget estimate of \$6 million.

The second 100 percent horizontal location at 2-21-80-21W6M (the "2-21 well") continues to drill ahead on schedule at approximately 2,000 meters depth and is estimated to reach total vertical depth for formation log evaluation at the end of November and total horizontal length sometime in the middle of December.

Management is very encouraged with the results to date at Groundbirch and will continue to update the shareholders as additional drilling and completion results are obtained and evaluated.

### **For further information, please contact:**

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### ***Forward-looking Information and Advisories:***

*Certain information set forth in this press release constitutes forward-looking information within the meaning of applicable securities laws including the use of the Corporation's micro-seismic data, the future drilling and completion operations of the Corporation and the timing and results of the 2-21 well. Forward-looking information is subject to numerous risks and uncertainties, some of which are beyond the Corporation's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, delays resulting from or the inability to obtain required regulatory approvals, inability to retain and delays in retaining drilling rigs and other services, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from*

*internal and external sources. The foregoing list is not exhaustive. Additional information on these and other risks that could affect the Corporation's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)), or at the Corporation's website ([www.montereyexploration.com](http://www.montereyexploration.com)). Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking information. The actual results, performance or achievement of the Corporation could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that the Corporation will derive therefrom. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.*

*For information concerning risks associated with the recovery of resources in the Groundbirch area, see the Corporation's press release dated May 14, 2009.*