

Tri-Valley reports 9.8 Million barrels of oil reserves

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Oil exploration company Tri-Valley Corp. (AMEX: TIV) of Bakersfield says its total oil reserves at the end of 2009 were 9.8 million barrels compared to no reportable barrels of reserves at the end of 2008.

The figures were released Monday in accordance with new Federal regulatory oil and gas disclosure rules. The new SEC rules require a 12-month average oil price to be used to estimate future revenues and also permit the voluntary disclosure of probable and possible reserves.

Tri-Valley says its 2009 year-end oil reserves included 3 million barrels of proved reserves, 800,000 barrels of probable reserves and 6 million barrels of possible reserves.

“At year-end 2008, the company had no reportable proved oil reserves as a consequence of the dramatic fall in world oil prices in the last two quarters of 2008 that negatively impacted the last sales price of the year used in the forecast of future revenues under the previous SEC disclosure rules,” it says.

The 2009 reserves disclosure also includes 6.8 million barrels of probable and possible reserves voluntarily reported by the company for the first time as now allowed under the new SEC rules, it says.

Most of the probable and possible reserves at year-end 2009 were related to Tri-Valley’s interest in its Pleasant Valley heavy oil project at the Oxnard Oil Field in Ventura County, which is in the early stages of development by the company, the company says.

Tri-Valley’s year-end 2009 reserves were estimated by independent reserves engineers in accordance with the new SEC oil and natural gas reserve disclosure rules, it says.

“As the world economy witnesses early signs of economic growth from the deepest recession since the 1930’s, the company anticipates demand for energy will likewise rise again,” Tri-Valley says.