



TSX VENTURE: TVE

## **Tamarack Valley Energy Ltd. Announces a Record 2014 Exit Production Rate of 9,700 boe/d and Temporary Oil Battery Curtailment**

**Calgary, Alberta – January 2, 2015** – Tamarack Valley Energy Ltd. (“Tamarack” or the “Company”) is pleased to announce that a successful second half 2014 drilling program in the Wilson Creek area contributed to a record exit production rate averaging approximately 9,700 boe/d (based on field estimates) during the last 14 days of December, 2014, exceeding its exit production target of 9,500 boe/d. All 10.9 net wells drilled in the fourth quarter were brought on production at various times during December, 2014. The Company, based on field estimates, averaged approximately 8,500 boe/d during the month of December, 2014 with an oil and natural gas liquids weighting of approximately 63%.

### **Wilson Creek Operations Update**

Tamarack’s operated oil battery located in the Wilson Creek area of Alberta, had a fire-tube failure in the treater, early yesterday, causing a small fire that was extinguished within hours. As a result, capacity at this oil battery will be temporarily curtailed. The Company expects the oil battery to be shut down for three days at which point it is expected the facility will be able to run at approximately 75% of capacity until final repairs can be completed later in the month. Prior to the fire-tube failure, the oil battery was processing 3,700 to 3,800 bbls/d of oil and Tamarack was expecting to average approximately 9,400 to 9,500 boe/d in January, 2015, from the wells that were on production at the end of 2014. The Company will provide an update of the expected impact of this curtailment to first quarter production average, when it disseminates its 2015 guidance later in January, 2015.

Tamarack recently took over operation of this oil battery as part of the Wilson Creek acquisition which closed on September 30, 2014.

### **Drilling Update**

During the fourth quarter, Tamarack drilled 13 (10.9 net) Cardium wells in the Wilson Creek/Alder Flats area, which is 2.0 net wells less than originally planned due to continual declining commodity prices. The Company is currently finalizing its 2015 capital expenditure plan that will be disseminated after receiving Board approval, expected later in January, 2015. Tamarack will base its 2015 capital expenditure plan using strip commodity prices which are currently approximately \$55.00/bbl USD for WTI and \$2.80/GJ at AECO.

Tamarack currently does not have any drilling or completion operations underway.

## **About Tamarack Valley Energy Ltd.**

Tamarack is an oil and gas exploration and production company committed to long-term growth and the increased identification, evaluation and operation of resource plays in the Western Canadian sedimentary basin. Tamarack's strategic direction is focused on two key principles – targeting resource plays that provide long-life reserves, and using a rigorous, proven modeling process to carefully manage risk and identify opportunities. The Company has an extensive inventory of low-risk development oil locations in the Pembina, Wilson Creek, Garrington and Lochend Cardium fairway and the Redwater shallow Viking play. With a balanced portfolio, and an experienced and committed management team, Tamarack intends to continue to deliver on its promise to maximize shareholder return while managing its balance sheet.

In April 2014, Tamarack was honored as one of the TSX Venture 50. The TSX Venture 50 is a ranking of the strongest performing TSX-V companies in 2013 and is assessed on the basis of a combination of share price appreciation, trading volumes, change in market capitalization and analyst coverage. The index is comprised of ten companies from each of five sectors: Clean Technology, Oil and Gas, Diversified Industries, Mining, and Technology & Life Sciences.

### **Abbreviations**

bbl	barrel
bbls/d	barrels per day
boe/d	barrels of oil equivalent per day
mcf	thousand cubic feet
mcf/d	thousand cubic feet per day

### **Unit Cost Calculation**

For the purpose of calculating unit costs, natural gas volumes have been converted to a barrel of oil equivalent (“boe”) using six thousand cubic feet equal to one barrel unless otherwise stated. A boe conversion ratio of 6:1 is based upon an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. This conversion conforms with Canadian Securities Regulators' National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities. Boe's may be misleading, particularly if used in isolation.

### **Forward Looking Information**

This press release contains certain forward-looking information (collectively referred to herein as “forward-looking statements”) within the meaning of applicable Canadian securities laws. Forward looking statements include statements concerning Tamarack's anticipated rectification of the Wilson Creek oil battery curtailment and operations and anticipated future production in the Wilson Creek area. The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Tamarack relating to the ability to rectify the oil battery curtailment as planned as well as prevailing commodity prices, the availability of drilling rigs and other oilfield services, the timing of past operations and activities in the planned areas of focus, the drilling, fracture stimulation, completion and tie-in of wells being completed as planned, the performance of new and existing wells, the application of existing drilling and fracturing techniques, surface access to wells,

weather conditions, the continued availability of capital and skilled personnel, the ability to maintain or grow the banking facilities and the accuracy of Tamarack's geological interpretation of its drilling and land opportunities. Although management considers these assumptions to be reasonable based on information currently available to it, undue reliance should not be placed on the forward-looking statements because Tamarack can give no assurances that they may prove to be correct particularly given the uncertainty of the commodity price environment and the finalization of the 2015 capital expenditure plan.

By their very nature, forward-looking statements are subject to certain risks and uncertainties (both general and specific) that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: risks associated with the oil and gas industry (e.g. operational risks in development, exploration and production; delays or changes in plans with respect to the rectification activities at the Wilson Creek oil battery, the exploration or development projects or capital expenditures); commodity prices; the uncertainty of estimates and projections relating to production, cash generation, costs and expenses; health, safety, litigation and environmental risks; and access to capital. Due to the nature of the oil and natural gas industry, drilling plans and operational activities may be delayed or modified to react to market conditions, results of past operations, regulatory approvals or availability of services causing results to be delayed. Please refer to Tamarack's revised Annual Information Form ("AIF") dated March 13, 2014 for additional risk factors relating to Tamarack The AIF is available for viewing under the Company's profile on [www.sedar.com](http://www.sedar.com).

The forward-looking statements contained in this press release are made as of the date hereof and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

**Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.**

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