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## **ARCAN ANNOUNCES ENHANCED OIL RECOVERY UNDERWAY ALONG WITH DRILLING SUCCESS AT HAMBURG, ALBERTA**

CALGARY, Alberta – September 28, 2009 – Arcan Resources Ltd. ("Arcan" or the "Corporation") (TSXV: ARN) has commenced development of the Slave Point GG Pool at Hamburg, in northwest Alberta. Arcan also announces additional drilling success in the Slave Point formation at the same property where the Corporation is the operator and has a 50.25 percent working interest.

On September 21, 2009, Arcan commenced completion operations on its well at 12-20-96-9W6M in the Slave Point Formation. Arcan encountered 13 meters of net reef pay and following an acid squeeze the well was flowing light sweet 41 API oil and associated solution gas. The well was tested on September 23 and 24 and the final flow rate at the end of the test was 268 BOE per day. Arcan is evaluating a future sand fracture stimulation to further increase productivity of the well. This well is expected to be on-stream by the middle of October. The well was sidetracked from the 5-20-96-9W6M surface location after the original vertical well encountered hole problems and had to be abandoned and sidetracked. This is the first well in an ongoing development program of six to eight wells. The next well is expected to commence drilling shortly.

Arcan is now injecting water into the GG Pool via two water injection wells and may convert an additional existing oil producer to a third water injection well by the end of the first quarter of 2010 in order to maintain reservoir pressures. As previously announced, Arcan received approval of the GG Pool Enhanced Oil Recovery (EOR) expansion in February 2009. Arcan has recently been given approval for year-round access to the pool from the Alberta government and has commenced construction of all-weather access roads to producing wells and future development locations.

On August 28, 2009 the treater at the Hamburg oil battery caught fire and was destroyed while the rest of the battery was not damaged. Arcan has replaced the treater with production re-started on September 19, 2009. The net impact to Arcan will be approximately three weeks of lost production from the GG pool during the third quarter. Including the downtime in Hamburg related to the treater fire and the voluntary price related shut-in of production in our McLeod area, Arcan expects to produce 1,200 to 1,400 boe per day for the third quarter and re-iterates its guidance of 1,300 to 1,700 boe per day for 2009.

### **About Arcan**

Arcan Resources is a junior oil and gas company with a focused asset base in the Western Canadian Sedimentary Basin. The Corporation's properties provide high-netback production and substantial exploration and development growth opportunities. Arcan operates as many of its properties as possible in order to control the execution of its growth strategy. The Corporation is listed on the TSX Venture Exchange and is based out of Calgary, Alberta.

## **Boe Advisory**

The calculation of barrels of oil equivalent ("boe") is based on a conversion ratio of six thousand cubic feet of natural gas to one barrel of oil based on an energy conversion primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Boes may be misleading, particularly if used in isolation.

## **Forward-Looking Information Advisory**

The information and statements in this news release contains certain forward-looking information. This forward-looking information relates to future events or Arcan's future performance. All statements other than statements of historical fact may be forward-looking information. Forward-looking information are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "approximate", "expect", "may", "will", "project" predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "would" and similar expressions. This forward-looking information involves substantial known and unknown risks and uncertainties, certain of which are beyond the Corporation's control, including: the impact of general economic conditions; industry conditions; changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; fluctuations in commodity prices and foreign exchange and interest rates; stock market volatility and market valuations; volatility in market prices for oil and natural gas; liabilities inherent in oil and natural gas operations; uncertainties associated with estimating oil and natural gas reserves; competition for, among other things, capital, acquisitions, of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions; changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry; geological, technical, drilling and processing problems and other difficulties in producing petroleum reserves; and obtaining required approvals of regulatory authorities. The Corporation's actual results, performance or achievement could differ materially from those expressed in, or implied by, such forward-looking information and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking information will transpire or occur or, if any of them do, what benefits that the Corporation will derive from them. This forward-looking information is subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in the forward-looking information. The Corporation's forward-looking information is expressly qualified in its entirety by this cautionary statement. Except as required by law, the Corporation undertakes no obligation to publicly update or revise any forward-looking information.

*Neither the 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.*

For further information, please contact:

Ed Gilmet  
President and Chief Executive Officer; or

Douglas Penner  
Vice President, Finance and Chief Financial Officer

Arcan Resources Ltd.

[www.arcanres.com](http://www.arcanres.com)

Telephone: (403) 262-0321

Email: [info@arcanres.com](mailto:info@arcanres.com)

Suite 3200, 450 – 1<sup>st</sup> Street SW

Calgary, Alberta T2P 5H1