

PACIFIC ENERGY RESOURCES LTD.

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**Pacific Energy Closes Purchase of Alaska Oil
And Gas Assets**

LONG BEACH, CALIFORNIA--(August 27, 2007) - Pacific Energy Resources Ltd. (TSX:PFE) (the "Corporation") is pleased to announce that it has completed the acquisition of the Alaska oil and gas properties and operations of Forest Oil Corporation (NYSE:FST) ("Forest") and Forest Alaska Holding LLC ("Forest Holding"). The Corporation has acquired 100% of the membership interests in Forest Alaska Operating LLC ("FAO"), which owns the majority of the Alaska properties and operations, plus certain additional Alaska assets owned by Forest, including an interest in the Cook Inlet Pipe Line Company ("CIPL") for US\$400,000,000 plus the issuance of 10,000,000 shares of the Corporation's common stock and a seven year seller note to Forest with a net present value of approximately \$30,000,000.

Acquisition financing was provided by the Company's current lending group. Energy Capital Solutions, LP served as the Corporation's financial advisor related to the acquisition including the delivery of a fairness opinion to the Corporation's Board of Directors, and acted as placement agent in arranging the financing to fund the acquisition.

The FAO assets include nine fields located in the Cook Inlet area, producing approximately 5,000 BOE/day net to the interests being acquired. In addition to the producing properties, the Forest assets to be acquired include nearly 1,000,000 net acres covering multiple exploration prospects; plus a 50% equity interest in the Cook Inlet Pipe Line Company

DeGolyer & MacNaughton, an independent consulting firm retained by the Corporation, estimated 26.06 million barrels equivalent (MMBOE) of net Proved Reserves (11.3 MMBOE of Proved Developed Producing, 2.6 MMBOE of Proved Developed Non-Producing and 12.22 MMBOE of Proved Undeveloped), 27.82 MMBOE net Probable reserves and 6.72 MMBOE of Possible reserves for a total of 60.59 MMBOE of Proved, Probable and Possible Reserves, under August 1st, 2007 Nymex strip prices.

"We are extremely pleased to have successfully completed this acquisition; it represents a tremendous opportunity for the Corporation and its shareholders. This package of assets is a direct extension of our business strategy; the established production, with long life reserves, generates strong predictable cash flow. The multiple infill drilling opportunities provide a low risk means to grow the Corporation production through redevelopment. Significant undeveloped acreage with multiple high quality exploration targets, provides large exploration upside," said Darren Katic the Corporation's president.

About Pacific Energy Resources Ltd.

The Corporation is an oil and gas exploration and development company based in Long Beach, California, U.S.A. Additional information relating to the Corporation may be found on SEDAR at www.sedar.com.

ON BEHALF OF THE BOARD OF DIRECTORS

PACIFIC ENERGY RESOURCES LTD.

Mr. Darren Katic, President

For further Information

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Note: This release contains forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results, are based on current expectations or beliefs and include, but are not limited to, statements concerning the timing, terms and amounts of the planned private placement and credit facility. For this purpose, statements of historical fact may be deemed to be forward-looking statements. In addition, forward-looking statements include statements in which the Corporation uses words such as “continue,” “efforts,” “expect,” “believe,” “anticipate,” “confident,” “intend,” “strategy,” “plan,” “will,” “estimate,” “project,” “goal,” “target,” “prospects,” “optimistic,” “potentially,” “looking forward”, “possibility”, or similar expressions. These statements by their nature involve risks and uncertainties, and actual results may differ materially depending on a variety of important factors, including, among others, obtaining regulatory approval, the Corporation’s ability to meet its obligations under its existing and anticipated contractual obligations, the Corporation’s ability to implement redevelopment plans, the impact of changes in market conditions and the Corporation’s business environment, including actions of competitors; the occurrence of acts of terrorism or acts of war; changes in governmental laws and regulations, including income and other taxes; and other factors as may be discussed in the documents filed by the Corporation on SEDAR (www.sedar.com), including the most recent reports that identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements. In particular, statements regarding its ability to obtain regulatory approvals are forward-looking statements, and the Corporation can provide no assurance that this will occur. The Corporation undertakes no obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.