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PACIFIC ENERGY RESOURCES LTD.

111 West Ocean Blvd.
Long Beach, California 90802
Telephone: (562) 628-1526; Fax: (562) 628-1536

NEWS RELEASE

**PACIFIC ENERGY RESOURCES LTD.
REVISED TERMS OF PRIVATE PLACEMENT**

Long Beach, California, October 2, 2007 – Pacific Energy Resources Ltd. (TSX: PFE, PFE.S) (the “*Corporation*”) announces that further to its news release of September 10, 2007, the Corporation has revised its private placement so as to offer up to 34,090,909 units of the Corporation at CAD\$2.20 per unit for total gross proceeds of up to CAD\$75,000,000. Each unit will be comprised of one share of common stock and one-half of one share purchase warrant. Each whole warrant will be exercisable into one share of common stock at a price of CAD\$2.65 per share for a period of 18 months from the date of issue of the warrants.

Octagon Capital Corporation, D&D Securities Company, Wellington West Capital Markets Inc. and Energy Capital Solutions are acting as agents of the Corporation with respect to the offering. The Corporation will pay a commission in the amount of 6% of the total proceeds raised. In addition, the Corporation will issue compensation options equal to 5% of the number of units sold pursuant to the offering, each of which will entitle the holder to acquire one unit for 18 months at a price of CAD\$2.65 per unit. Each unit will be comprised of one share of common stock and one-half of one share purchase warrant. Each whole warrant will be exercisable into one share of common stock at a price of CAD\$2.65 per share for a period of 18 months from the date of issue of the compensation options.

The initial US\$50 million of the private placement proceeds will be used to repay a portion of the debt associated with the acquisition of the offshore producing Alaskan assets of Forest Oil Corporation (see news release of August 27, 2007), with any balance of funds to be used for general working capital and business purposes.

The price per share and the total number of possible shares to be issued on completion of this transaction in combination with the shares issued on completion of the Forest Oil acquisition (see news release of August 27, 2007) requires that the Corporation obtain approval from stockholders holding a simple majority of the issued shares of the Corporation, excluding any shares issued in relation to the Forest Oil acquisition, in accordance with TSX policies. While this approval would normally require a stockholder’s meeting to obtain stockholder approval, the Corporation is availing itself of the exemption in 604(d) of the TSX Company Manual to allow it to obtain the written consent of stockholders holding a majority of the shares of the Corporation. The Corporation is in the process of collecting executed consent forms from stockholders in order to obtain the requisite approval to the above offering price and share issuances.

Assuming this financing is fully subscribed, the Corporation will issue an aggregate of 53,693,180 shares (34,090,909 shares comprising the share portion of the units, 17,045,454 warrant shares and 1,704,545 agent's compensation option shares and 852,272 agent's compensation option warrant shares) which will represent 25.5% of the then issued shares of the Corporation (assuming no other share issuances).

There will be no insider participation in this financing. This financing is not expected to have any effect on the control of the Corporation.

The above transactions are also subject to final regulatory approval. All securities issued with respect to the above transactions will be subject to resale restrictions as required under applicable U.S. and Canadian securities laws.

The securities proposed to be offered in the private placement have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. The Corporation has agreed to use its reasonable best efforts to file a resale registration statement with the U.S. Securities and Exchange Commission. If the registration statement is not filed or declared effective within specified time periods, or if it ceases to be effective after the expiration of certain grace periods, the Corporation will be required to issue to the purchasers additional shares of common stock.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of the securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful.

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

Boardmarker Group

T: 403 517 2270

E: dean@boardmarker.net

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” 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, the parties’ ability to satisfy conditions precedent to the proposed transactions, including without limitation, obtaining regulatory and stockholder approval, the Corporation’s ability to meet its obligations under its existing and anticipated contractual obligations, 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. 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.