



TSXV: ERX

Eagle Rock Exploration Provides Operational Update

Calgary, Alberta, July 23, 2008 Eagle Rock Exploration Ltd. (“Eagle Rock” or the “Company”) (TSX-V: ERX) is pleased to provide an operational update.

Eagle Rock has drilled five successful wells year to date, three of them in July, 2008. Significant activity is planned for the balance of 2008.

Current production is approximately 500 boe/d, a 25 percent increase since April 1, 2008 following the sale of producing assets at Antelope Lake, Saskatchewan. Eagle Rock remains heavily leveraged to oil production at 95 percent oil. As previously announced Eagle Rock anticipates exiting 2008 with production of approximately 700 boe/d and will remain highly leveraged to oil. Eagle Rock’s recent and planned activities for each major property are outlined as follows:

Beverley/Antelope Lake SK (100% WI, Operated)

- Two wells have been drilled in July 2008 and a third will be drilled before month end.
- The first well, a horizontal, was drilled in early July 2008 and encountered 650 meters of oil pay in the Cantaur zone and will be on production by early August.
- The second well, a vertical was successful in delineating the Cantaur oil pool.
- These are the first steps in a plan to follow-up on a well drilled in December 2007 which encountered 17 meters of net oil pay in the Cantaur zone.

Red Coulee, AB (100% WI, Operated)

- A successful Cutbank horizontal well was drilled in Q2 08. Oil production commenced in late June and continues at steady rates of approximately 50 bbls/d.
- The success of this well and knowledge from prior exploration and development activity in the area sets up at least eight additional horizontal well locations targeting the Cutbank formation.
- A Rundle vertical well drilled this month will be on production by the end of Q3 08 as Eagle Rock awaits regulatory approval for a pipeline. This success sets up a number of additional drilling locations.

Coutts, AB (89% WI, Operated,)

- A property acquisition in April 2008 for \$595,000 added to Eagle Rock’s land and production base.
- Production from the acquired wells of 25 boe/d was subsequently increased through well reactivations and stimulations.
- Optimization activities on other wells have also increased production from the area.
- All oil production from this area is light (41API).

Jensen, AB (100% WI, Operated)

- Three existing well bores have been re-entered in Q2 08.
- One well tested 500 mcf/d (80 boe/d) of sour natural gas in the Rundle formation.
- A second well tested positively for natural gas in a shallower zone.
- Future development of this property is waiting on evaluation of these two wells.

Warner, AB (100% WI, Operated)

- 2D seismic was shot in Q2 08 and Eagle Rock has identified two prospects.
- One exploratory well will be drilled in Q3 2008.

Enchant, AB (37.5-100% WI, majority operated)

- One well was successfully recompleted in Q2 08, with approximately 40 bbls/d of Livingston oil awaiting pipeline tie in.
- Eagle Rock plans to drill one well in Q3 08.

Antelope Lake, SK (33.6% WI, Non –Operated)

- Eagle Rock sold the non-operated portion of this property in early April 2008 for proceeds of \$6.9 million.

Capital budget

The capital budget for the balance of 2008 is in the process of being revised upwards in light of the recent successes. Eagle Rock's cash flows for 2008 are benefiting from high benchmark oil prices, low differentials on medium gravity oil and declining operating costs per barrel as production increases. Bank lines of credit are in the process of being increased in light of higher production and increasing cash flows. Eagle Rock recently contracted a collar for calendar 2009 with a floor of US\$ 100 and a ceiling of US\$ 200 which also supports higher credit limits.

About Eagle Rock

Eagle Rock is a publicly traded energy company involved in the exploration and development of low to medium risk oil and gas properties in Western Canada. Eagle Rock's common shares trade on the TSX Venture Exchange under the symbol "ERX". The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Forward-looking Information

This press release includes forward-looking statements and assumptions respecting Eagle Rock's strategies, future operations, expected financial results, financial sources, commodity prices, costs of production and quantum of oil and natural gas reserves and discusses certain issues, risks and uncertainties that can be expected to impact on any of such matters. By their nature, forward-looking statements are subject to numerous risks and uncertainties that can significantly affect future results. Actual future results may differ materially from those assumed or described in such forward-looking statements as a result of the impact of issues, risks and uncertainties whether described herein or not, which Eagle Rock may not be able to control. The reader is therefore cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof and Eagle Rock undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

In addition, the term BOE or BOE's may be misleading, particularly if used in isolation. A BOE (barrel of oil equivalent) conversion ratio of 6 Mcf per one (1) BOE is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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