

ENERGULF RESOURCES INC.

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Energulf participates in Longoria # 1 well

July 7, 2004

(HOUSTON) EnerGulf Resources, Inc. (TSXV: ENG) is pleased to announce that, pursuant to its previously announced memorandum of understanding with Killam Oil Company, it has elected to participate in the drilling of the Longoria #1 in Webb County, Texas and operations are underway.

Wholly owned EnerGulf Corporation of Houston is paying 6.67% of drilling costs to casing point (dry hole costs) and 5% of costs past casing point (completion and operating costs) on the 640 acre designated "Longoria Guerra Prospect", and 5% of past land, 3-D seismic and geophysical costs to earn a 5% working interest in the 3,950 acre Longoria lease and a surrounding area of mutual interest. Dry hole costs for the Longoria #1 are estimated to be \$2,169,676.00 with completion costs of \$1,811,990.00

Drilling commenced on June 15 and the rig is currently drilling at 11,700 feet. The Longoria #1 will reach a total depth of approximately 15,000 feet to test a 3D confirmed high-side fault closure with multi-zone targets in the Wilcox formation. The Longoria #1 is located in a very prospective area of South Texas, with highly prolific analogous production nearby. Potential reserves for the 640 acre Longoria Guerra Prospect are estimated by Killam to be between 34-92 BCFG. Nearby analogous gas fields for the targeted formations report reserves of 24-800 BCFG each.

Killam Oil Company of Laredo, Texas is retaining a 95% working interest and operating the project. Killam was founded in 1921 by legendary Texas wildcatter O.W. Killam and is privately owned by the Killam family. Killam Oil Company pioneered oil exploration in South Texas (Webb, Zapata and Duval Counties) and currently operates over 285 wells. Killam is one of the top producers of natural gas in the area. (The three counties are in Railroad Commission District 4, which is the largest gas producing district in Texas).

Commenting on the prospect, Jeff Greenblum, Chairman of the Board of EnerGulf stated, "We are pleased to participate with Killam Oil Company, one of the most highly regarded and successful independent oil and gas exploration companies in Texas. We are looking forward to

South Texas becoming a cornerstone of growth for us. This venture gives EnerGulf an exciting opportunity in this highly prolific region.”

On Behalf of the Board of Directors

"James Askew"

James Askew, President

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Certain disclosure in this release, including management’s assessment of EnerGulf’s plans and projects, constitute forward-looking statements that are subject to numerous risks, uncertainties and other factors relating to EnerGulf’s operations as an oil and gas exploration company that may cause future results to differ materially from those expressed or implied by those forward-looking statements and readers are cautioned not to place undue reliance on these statements.