



NEWS RELEASE

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Cordillera Energy Partners II Sale, Cordillera III Poised for Continued Growth

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DENVER, August 18 – Denver based Cordillera Energy Partners II, LLC, Cordillera Texas, L.P. and Cordillera Energy Canada ULC today announced a series of transactions to sell its assets held in Texas and Oklahoma and all of its stock in a wholly-owned Canadian subsidiary. Each of these sales is subject to normal closing conditions with closings scheduled for September 30, 2008. Tristone Capital, LLC and J.P. Morgan Securities Inc. provided financial advisory services to Cordillera for the US transactions and CB Securities for the Canadian transaction.

Subsequent to consummation of these transactions, Cordillera Energy Partners III, which was formed in March of 2007, will continue its active acquisition, exploration and development program in its core areas of the Texas Panhandle where Cordillera III has over 140,000 acres and in East Texas where it has 23,000 acres. “Armed with an excellent balance sheet and a seasoned management team, Cordillera III plans to grow production and reserves through an active acquisition program and drilling program,” said Tad R. Herz, Executive Vice President and CFO of Cordillera.

Commenting, George H. Solich, President and CEO of Cordillera Energy Partners II and III remarked “the Cordillera II divestitures fit perfectly in our strategy to deliver excellent returns to our shareholders while keeping our exceptional franchise together to continue to build Cordillera III.”

Cordillera Energy Partners II and Cordillera Energy Partners III are privately held acquisition, exploration and production companies headquartered in Denver, Colorado, whose principal shareholder is EnCap Investments together with other institutional investors.

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