

Form 45-106F1
Report of Exempt Distribution

X 05825-2
\$ 359,600⁰⁰
July 23, 2007

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution.

Item 1: Issuer information

Enhanced Oil Resources Inc.
510 Bering Drive, Suite 300
Houston Texas 77057
USA
Ph: 713 974 8879

Item 2: The issuer is a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

Item 3: Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.

- | | |
|---|--|
| <input type="checkbox"/> Bio-tech | <input type="checkbox"/> Mining |
| <input type="checkbox"/> Financial Services | <input type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production |
| <input type="checkbox"/> mortgage investment companies | <input checked="" type="checkbox"/> Oil and gas |
| <input type="checkbox"/> Forestry | <input type="checkbox"/> Real estate |
| <input type="checkbox"/> Hi-tech | <input type="checkbox"/> Utilities |
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Other (describe) |

Details of distribution

Item 4: Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.

Item 5: Date of distribution - July 23, 2007.

B.C. Securities
Commission
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Item 6:

- (a) Units at \$1.24 per Unit, each “Unit” being comprised of 1 common share and one-half of one non-transferable common share purchase warrant, each such whole warrant entitling the holder to purchase one common share at \$1.80 per share until July 23, 2009.
- (b) 12,791,000 Units
- (c) state the exemption(s) relied on.

Section 2.3(2) of National Instrument 45-106 (“NI 45-106”) and B.C. Instrument 75-503 (“BCI 72-503”).

Item 7: Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder’s fees disclosed under item 8, below.

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
British Columbia	16	1.24	\$359,600
Alberta	12	1.24	\$799,800
Saskatchewan	9	1.24	\$545,600
Ontario	81	1.24	\$5,973,700
Quebec	15	1.24	\$248,00
New Brunswick	1	1.24	\$24,800
United Kingdom	4	1.24	\$4,223,440
Cayman Islands	1	1.24	\$3,152,700
Monaco	1	1.24	\$186,000
Germany	1	1.24	\$124,000
Panama	1	1.24	\$124,000
British Virgin Islands	1	1.24	\$62,000
Australia	1	1.24	\$12,400
Hong Kong	1	1.24	\$24,800

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Total number of Purchasers	145		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$15,860,840

Note 1: If securities are issued at different prices list the highest and lowest price the securities were sold for.

Commissions and finder's fees

Item 8: Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

If the securities being issued as compensation are or include convertible securities, such as warrants or options, please add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities issued	Price per security	Exemption relied on and date of distribution	
UNION SECURITIES LTD. 900-WEST GEORGIA ST. VANCOUVER, B.C., V7Y 1H4	\$1,268,867	1,279,100 Agent's Compensation Options *	N/A	S. 2.3(2) of NI 45-106	\$1,268,867

*Each Agent's Compensation Option entitling the purchase of one Unit at \$1.24 (CDN) per Unit until July 23, 2009.

Item 9: If a distribution is made in Ontario, please include the attached "Authorization of Indirect Collection of Personal Information for Distributions in Ontario". The "Authorization of Indirect Collection of Personal Information for Distributions in Ontario" is only required to be filed with the Ontario Securities Commission.

Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: July 31, 2007

Enhanced Oil Resources Inc.

Name of issuer (please print)

Barry Lasker, President and CEO (713) 490-8187

Print name, title and telephone number of person signing

A handwritten signature in cursive script, appearing to read "Barry Lasker", written over a horizontal line.

Signature

Item 10: State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.