Quest Offshore Resources, Inc.
The Leading Source for Strategic Market Intelligence

PRESS RELEASE

FOR IMMEDIATE RELEASE
Contact: Paul Hillegeist, President & COO
Tel: (1) 281-491-5900

Gulf of Mexico Market Poised for Growth in “Hub and Spoke” Field Design Concept

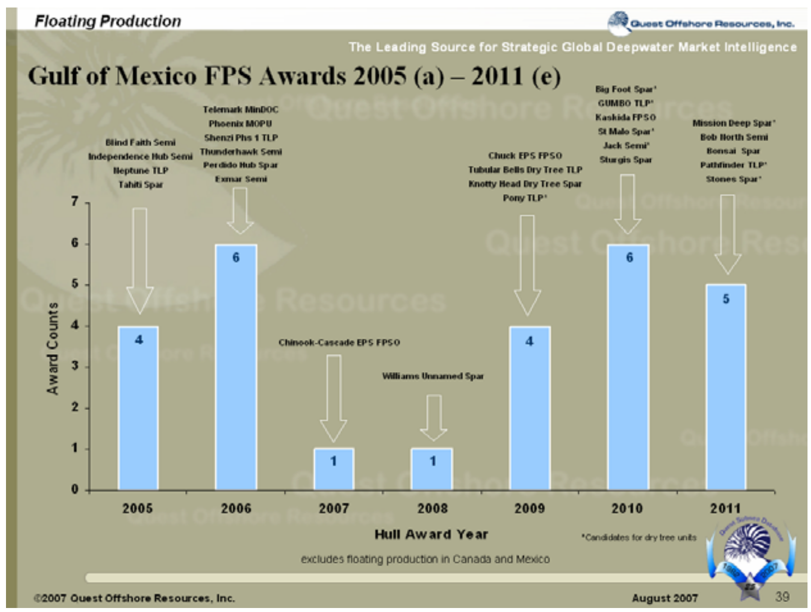
SUGAR LAND, TEXAS [September 5, 2007] -

GoM Market Recap – September 2007

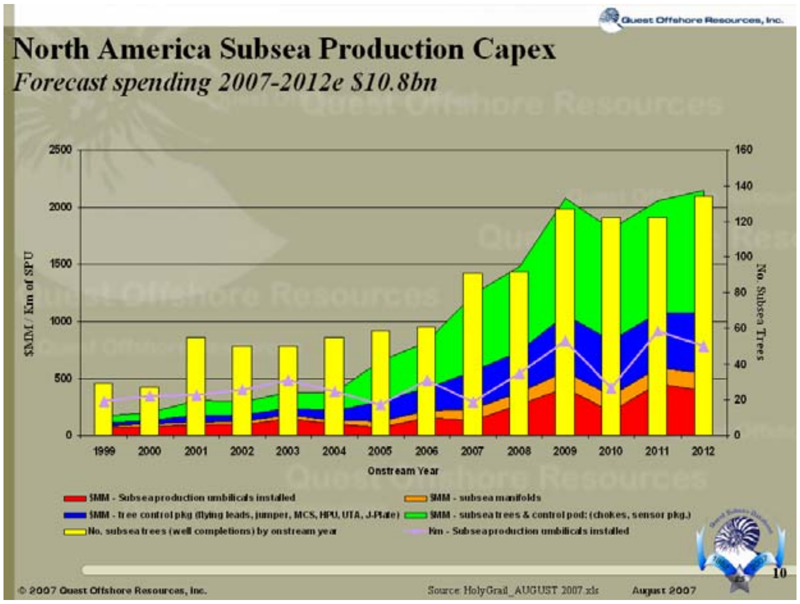
Current Gulf of Mexico forecasted subsea activity is poised to grow 30% - 80% from 2007 to 2011 in comparison to the period from 2002 to 2006, while floating production activity looks to remain comparably lower. This shift in field development activity has led to the further commercialization of the “hub and spoke” field layout whereby an operator ties a subsea well (or “spoke”) back to an existing host facility (or “hub”).

This hub and spoke field design allows operators to capitalize on potential developments much sooner by eliminating the lead-time associated with building a new floating production unit. Given the currently favorable economics available to operators, the ability to reduce their time to first-oil has become increasingly important. The hub and spoke field design helps operators achieve first-oil sooner, and as a result helps them realize a quicker return on their investment.

There are a few key indicators that point towards this hub and spoke trend in the GoM. Namely, the comparably lower GoM floating production unit forecast over the next two years. 2007 sees an 83% reduction in new floating production unit hull awards from 2006. Hull awards will remain at a similar level until 2009. This trend points heavily to the increased use of subsea tie-backs as a means to accommodate field developments.



Also of note is the continued growth in the GoM subsea market. 2007 sees a roughly 35% increase in the number of booked trees versus 2006, and this upward growth will continue for the foreseeable future.

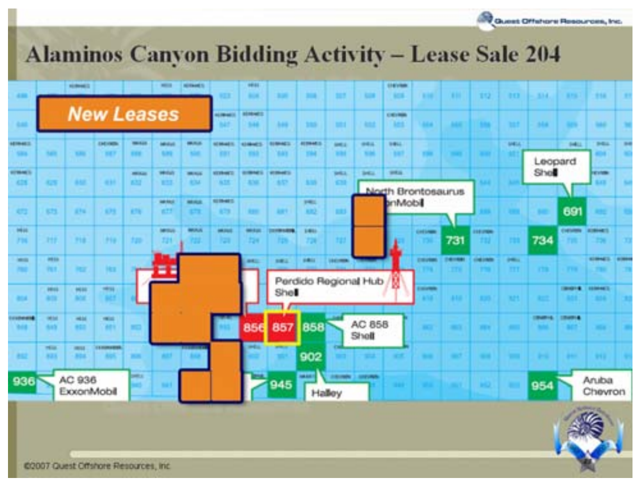


This telling trend indicates that operators are continuing their E&P efforts, however, they are employing newer field development concepts to help exploit reserves sooner. Given an almost 60% increase in subsea production capex, there is sufficient reason for operators to pursue methods that help them realize a quicker return on their investments.

Another healthy sign for the hub and spoke field design is the current level of deep and ultra-deep water activity. These deep and ultra-water areas of the GoM are ideal for the hub and spoke field design due to their relatively undeveloped infrastructure. A hub with the ability to accommodate additional capacity is a very viable option when compared to the investment required to install a new hub with a new export pipeline system.

Operators recently demonstrated their interest in the deeper portions of the GoM in the first of two GoM lease sales for 2007 (MMS Lease Sale 204). While the sale was relatively lack-luster, the Alaminos Canyon basin saw a significant up-tick in activity with Norwegian major Statoil paying almost US$40 million for one block.

These factors have led to increased interest in the hub and spoke field design, as well as an interest in understanding where available capacity exists in the region. The Quest Offshore 2007 Gulf of Mexico Hub and Spoke Report aims to showcase this emerging trend, as well as provide detailed analysis of current and future infrastructure.



For more information, contact Paul Hillegeist, President & COO, Quest Offshore, 1600 Highway 6, Suite 300 Sugar Land, TX 77478. Tel: (1) 281.491.5900 Fax: (1) 281.491.5902

# # #

For additional information on Quest Offshore, please visit Quest's website at www.questoffshore.com.