



Peak Energy Resources Inc.
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FOR IMMEDIATE RELEASE

PEAK ENERGY ANNOUNCES SALE TO XTO

DURANGO, CO, Jul. 6, 2006 – Peak Energy Resources Inc. is pleased to announce the closing of the previously announced sale of the Company to XTO Energy Inc. (NYSE: XTO).

Peak Energy, a privately-held Barnett Shale producer, has closed on the sale of the Company to XTO for equity consideration of 2.555 million shares of XTO common stock. The purchase price was increased by approximately \$5.4 million in cash consideration to acquire an additional 3,600 net acres, bringing the total net leasehold acquired to about 37,000 acres. During June, XTO repurchased 2.2 million shares of its common stock in the open market at an average price of \$37.74 per share.

"XTO has earned a position in the Barnett Shale as the second largest producer and most active driller through a focused strategy of aggregating leasehold in areas where our geoscientists expect the greatest potential. The Peak acreage, production and infrastructure fortifies our foothold in a premier region of the non-core Barnett," stated Bob R. Simpson, Chairman and Chief Executive Officer. "With more than 200,000 net acres across the play, XTO is well positioned for years of low-risk development drilling ahead. Importantly, we will continue to hand-pick our property additions where drilling favors strong deliverability, tighter spacing and healthy economics."

Forward-Looking Statements

Statements made in this news release, including those relating to the future drilling, property acquisitions, deliverability and economics are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements are based on assumptions and estimates that management believes are reasonable based on currently available information; however, management's assumptions and the Company's future performance are both subject to a wide range of business risks and uncertainties and there is no assurance that these goals and projections can or will be met. Any number of factors could cause actual results to differ materially from those in the forward-looking statements, including, but not limited to, the availability of drilling equipment, the timing and results of drilling activity and higher than expected production costs and other expenses and personnel. The Company undertakes no obligation to publicly update or revise any forward-looking statements. Further information on risks and uncertainties is

available in the Company's filings with the Securities and Exchange Commission, which are incorporated by this reference as though fully set forth herein.

For further information, please contact:

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