



Building Value in Venezuela

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PETROFALCON AND VINCCLER OIL AND GAS, C.A. ANNOUNCE LV-10 WELL TEST RESULTS AND OPERATIONAL UPDATE

September 20, 2005, **PetroFalcon Corporation and Vinccler Oil and Gas, C.A.**, the Company's wholly owned subsidiary, (collectively, the "Company") announced today completion of additional test results from the LV-10 well located at the La Vela Field. The Company completed testing two new intervals in the Miocene Pedregoso and Socorro formations at 2110' to 2310' and 6456' to 6718', respectively. These results are in addition to the previously announced test released in the Company's August 17th, 2005, press release.

The Company is pleased to announce the discovery of a shallow oil and gas field in the southern part of the La Vela structure. The LV-10 well was perforated from 2110 to 2310 feet in the upper Miocene Socorro formation and tested at a rate of 371 barrels of oil per day (BOPD) of sweet 35 API oil and 2.9 million cubic feet of gas per day (MMCFGD) with a flowing tubing pressure of 460 pounds on a 3/4 inch choke. There is an additional 75 feet of potential shallow reservoir that remains to be tested in the LV-10 well. Vinccler Oil and Gas is planning additional shallow development locations for the first quarter of 2006.

In addition to the most recent shallow test, fifty feet of reservoir was perforated in the lower Miocene Pedregoso formation from 6456 to 6718 feet and flowed at a production

rate of 204 BOPD of 37 API oil and .3 MMCFGD with 90 pounds flowing tubing pressure on a 1/2 inch choke. The first productive test flowed at a stabilized rate of 360 BOPD and 1 MMCFGD from 7280-7612 feet (see press release dated August 17, 2005). Management estimates that the aggregate test results in the LV-10 well could add reserves totaling approximately 20 million barrels of oil and 25 billion cubic feet of natural gas.

Construction

At the La Vela Field, construction of the central oil and gas processing facility capable of 5000 BOPD and 15 MMCFGD is on schedule and due for completion in late October. The new processing facility is adjacent to the LV-6X well on the La Vela Sur anticline. At the Cumarebo Field, facilities modifications are underway and initial gas sales into Interconexion Centro-Occidente gas pipeline are expected in January 2006.

Interconexion Centro-Occidente (ICO) Pipeline

The 500 million cubic feet per day capacity ICO gas pipeline, under construction by PDVSA Gas, is undergoing hydrostatic testing and expected to be ready to receive gas at La Vela in late October. Ongoing construction of the ICO pipeline including trenching, stringing of pipe and welding of the main line between Cumerabo and La Vela is currently in progress and is expected to be ready to receive gas from the Cumarebo Field by January 2006.

Drilling

Vinccler Oil and Gas is currently negotiating with drilling contractors for the mobilization of a rig to resume development drilling at the Cumarebo and La Vela fields during the fourth quarter 2005. The Company also plans to drill several high potential exploratory wells in the first half of 2006.

Negotiations with the MEP (Ministry of Energy and Petroleum)

Negotiations with the MEP on the conversion of the current Operating Service

Agreement to an Empresa Mixta, which will be jointly owned by the Company and PDVSA CVP, are proceeding as expected. Technical teams are well into the net asset evaluation phase of the process, the results of which will form the basis governing each party's contribution to the Empresa Mixta. The objective of this process is to preserve net asset value before and after contractual migration. The Company expects to finalize the basic agreements for the Empresa Mixta by year end.

PetroFalcon Corporation is a natural resource company currently engaged in oil and gas operations in Venezuela through its wholly-owned subsidiary, Vinccler Oil and Gas CA. The common shares of the Company trade on the Toronto Stock Exchange with the symbol "PFC".

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Forward looking statements: Except for statements of historical fact, all statements in this press release, without limitation, regarding new projects, acquisitions, future plans and objectives are forward-looking statements which involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from those anticipated in such statements.