



PRESS RELEASE

VERO ENERGY INC. REPORTS 100 % DRILLING SUCCESS IN THE FOURTH QUARTER AND CURRENT PRODUCTION OVER 3,900 BOED

CALGARY, Alberta – January 2, 2007 - Vero Energy Inc. (TSX – VRO, “Vero” or the “Company”) reports that during the fourth quarter of 2006 the company participated in the drilling of 8 (5.3 net) wells in its core areas. Vero had a success rate of 100% in these wells, which included two new pool discoveries. In addition, the Company completed the construction and start-up of its 100% owned gas plant in the Corbett area prior to Christmas.

Based on field estimates, Vero’s current production is approximately 3,900 BOED weighted 79% towards natural gas. The company also has 8 (4.3 net) wells in various stages of completion.

Doug Bartole, President and CEO stated that “Vero had another excellent quarter where we exceeded our 2006 exit guidance, which had been further increased during the fourth quarter. In addition, we achieved approximately 20% growth in average fourth quarter production from the third quarter average. This continues the trend of significant quarter over quarter growth since inception.” Mr. Bartole adds “We are very excited about 2007 and are fully prepared to execute on our plan. This will include our most active drilling quarter to date, being the first quarter.” Vero currently has two drilling rigs operating, which will be working through to the end of the first quarter of 2007. The Company plans to drill approximately 18 wells in the quarter at an average working interest of over 65%.

Vero Energy Inc. is a publicly traded Canadian energy company involved in the exploration, development and production of oil, natural gas and liquids in Alberta. The Company’s shares trade on The Toronto Stock Exchange under the symbol **“VRO”**.

The Toronto Stock Exchange has neither approved nor disapproved of the information contained herein.

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Forward Looking Statements: Certain information regarding the Company in this news release including management’s assessment of future plans and operations, production estimates, drilling inventory and wells to be drilled, timing of drilling and tie-in of wells, productive capacity of new wells, capital expenditures and the timing thereof, may constitute forward-looking statements under applicable securities laws and necessarily

involve risks including, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, the timing and length of plant turnarounds and the impact of such turnarounds and the timing thereof, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources. As a consequence, the Company's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or, if any of them do so, what benefits the Company will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could effect the Company's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com), and the Company's website (www.veroenergy.ca). Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

BOE Disclosure: Disclosure provided herein in respect of barrels of oil equivalent (BOE) may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 BBL is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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If anyone requires additional information, please contact:

Doug Bartole, President & CEO, at (403) 218-2063

Gerry Gilewicz, Vice-President Finance & Chief Financial Officer at (403) 693-3170

Scott Koyich, Investor Relations, (403) 714-5979