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**MORGAN CREEK ENERGY ACQUIRES CEDAR CREEK LEASE ACREAGE  
IN CONECUH COUNTY, ALABAMA**

Dallas, Texas – September 12, 2006/PRNewswire-Firstcall/ -- Morgan Creek Energy Corp. (OTCBB: MCRE, Frankfurt, Berlin: M6C) (the "Company"), announces that it has executed an agreement to acquire an aggregate of 103 acres of oil and gas targeted development leases in the Cedar Creek Field located in Conecuh County, Alabama from U.S. Gas Systems Inc. of Mississippi for \$1 million. The five year leases are located primarily in two 160 acre sections and allow the Company to benefit from near term cash flow from non-operated drilling initiatives in two separate well bores scheduled to begin this fall.

The Company's Cedar Creek Project is a leasehold position in two highly defined drilling sites. Located in the Little Cedar Creek Field in Conecuh County, Alabama, the acreage sits atop a Smackover Limestone gas drive reservoir located at approximately 11,500 and 11,880 feet in depth. Midroc Operating Company of Dallas, Texas is the operator of the field, producing from 32 wells as of the first of the year with 6 wells in various stages of completion. Management estimates the field has produced 2.4MM barrels of oil and 2 BCF of casinghead gas. The bulk of the production has been produced in the last four years. This field has yielded only one dry hole to date. The combination of well logs and seismic data allow geologists to closely plot the limestone reef formation.

Wells can be drilled on 160-acre spacing units. The Company will own a 36.25% working interest and 27.18% net revenue interest ("NRI") before well capital cost payout in the first well scheduled to be drilled this fall on section 24 acreage, and a 20.39% NRI after well capital cost payout. The Company will also own a 25.0% working interest and 18.75% NRI before well capital cost payout in a second well to be drilled on section 23 acreage, and a 14.06% NRI after well capital cost payout.

A seismic line has been shot across the lease acreage under acquisition. As demonstrated by the data, the structure is higher than the previous wells and has no fault block. The higher structure may indicate potential for greater oil accumulation in a reef environment.

Management estimates that successful drilling on the two wells on section 23 and 24 acreage could produce between 400-600 bbls of oil a day and 480 to 580 MCF/Day of gas per well bore shared between all royalty and working interest stake holders.

Standard vertical well bores not requiring a completion frac lend to the lease's overall economic appeal and minimization of drilling risk.

**About Morgan Creek Energy Corp.:** Morgan Creek Energy Corp. is a natural resource exploration company engaged in the acquisition and development of oil and natural gas properties in the United States. For further information see: [www.morgancreekenergy.com](http://www.morgancreekenergy.com)

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Stock Exchange Information: Symbol: OTCBB – MCRE

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