



# DIAZ RESOURCES LTD.

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## **DIAZ ANNOUNCES THAT IT HAS BEEN PLACED ON NOTICE FOR FIVE LLOYDMINSTER DEVELOPMENT WELLS AND UPDATES OPERATIONS TO DATE**

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**Diaz Resources Ltd. (TSX: DZR)** today confirmed that it has received notices from Harvest Operations Corp., to drill five additional Lloydminster horizontal oil development wells. Operations are anticipated to commence within the next two weeks.

The proposed wells are to be drilled into the northwest quarter of section 18-48-1 W4 (see attached map) which appears to be in a structurally favorable portion of this oil pool. The wells will be initially drilled by Harvest after which Diaz will resume the role of operator.

In addition, Diaz has completed drilling operations and commenced production from three new horizontal wells in this pool.

The most recent well, 2-18-48-1 W4, was drilled horizontally 450 meters in the Lloyd formation and is currently producing 50 Bopd (25 Bopd net). This well is structurally the lowest of the four wells drilled in section 18-48-1 W4.

The previously drilled horizontal well at 15-18-48-1 W4 was brought on production December 24, 2009 and is currently producing 70 Bopd (35 Bopd net). This well is structurally the highest well of the four drilled to date. Based on Diaz's interpretation of the geology and seismic, the five well program being proposed is anticipated to be structurally as high as the 15-18-48-1 W4 well.

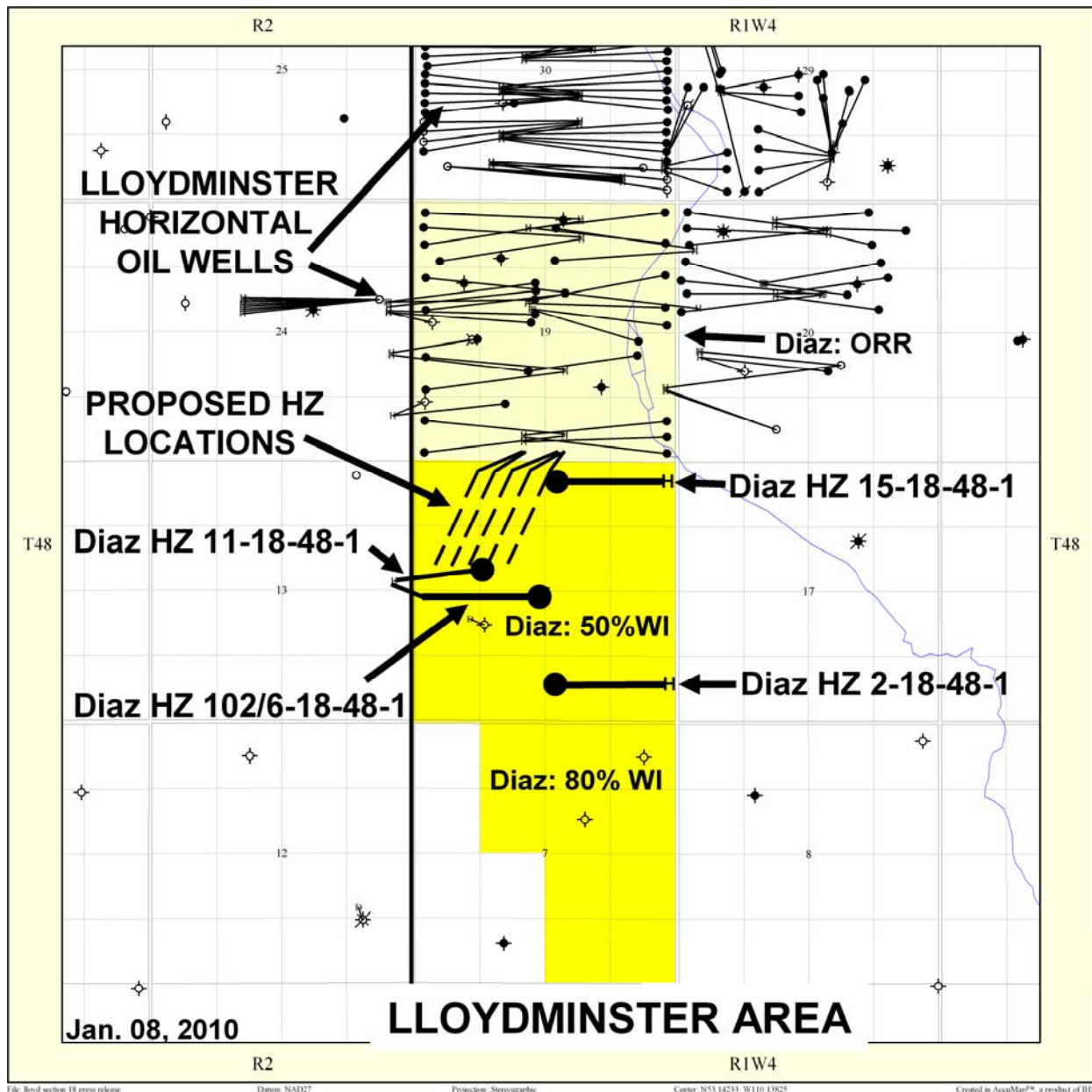
The first well drilled in the program by Diaz, 6-18-48-1 W4, came on production November 9, 2009 and has produced 5,500 barrels of oil to date. The well has recently experienced a sand problem which Diaz believes can be partially mitigated with a workover, currently being planned. The obstruction has resulted in high water production and restricted oil production to approximately 20 Bopd (10 Bopd net).

The initial well on the property 11-18-48-1 W4, came on production in October 2008, and continues to produce 30 Bopd (15 Bopd net) with cumulative production of 14,000 barrels.

Diaz is operator of the four wells and holds a 50% working interest.

Please refer to the map of well locations, as attached, or at Diaz's website as follows:  
<http://www.diazresources.com/documents/20100112-Lloydminster-well-map.pdf>

*Diaz is an oil and gas exploration and production company based in Calgary, Alberta. Diaz's current focus is on oil development and exploration in Alberta and Saskatchewan.*



FOR FURTHER INFORMATION, PLEASE CONTACT:

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*The forward looking statements contained in this press release are made as of the date hereof and Diaz undertakes no obligations to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.*

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