



DIAZ RESOURCES LTD.

#1800, 633 Sixth Avenue S.W.
Calgary, Alberta
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The following is for immediate release in Canada, Wednesday, May 7, 2003.

DIAZ COMPLETES DEEP GAS WELL ON WILCOX PROSPECT, TEXAS

Diaz Resources Ltd. reports that the Lehrer No. 1 exploration well in Colorado County, Texas, has been perforated and fracture stimulated in the deepest of nine Wilcox sand intervals identified in the well bore at a depth of 15,146 feet.

The zone has been flowing through test facilities for 38 hours with a final restricted flow rate of 2.65 mmcf/d at 6,900 psi on an 11/64-inch choke. The estimated bottom hole pressure is 13,700 psi.

The well is being connected to the production facilities and production is expected to commence today at an initial rate restricted to approximately 2 mmcf/d.

This zone will be produced for a two-week period for evaluation, after which a second Wilcox zone will be completed and tested. Following the testing, production from the two zones will be commingled.

Diaz has a before payout working interest of 8.3% in the deep rights reverting to 7.6% after payout.

A second deep Wilcox well is planned to commence drilling in July of 2003 and will target additional deeper potential zones. Diaz will have a 6.4% working interest in this well.

Diaz also announces that the recompletion of the Wilcox #7 sand in the Provident City #1 well is planned for June 2003. The recompletion is anticipated to increase production from the well by 5 mmcf/d. Diaz has a 12.7% working interest in the well. The Provident City #1 well is located 20 miles southwest of the Lehrer #1 well.

Diaz is a Calgary based oil and gas exploration Company with production in Alberta, Saskatchewan and Texas. Diaz is currently focused on exploring for natural gas in Alberta and deep Wilcox gas in Texas.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Forward looking statements – statements included in this press release that are not historical facts may be considered “forward looking statements.” All estimates and statements that describe the Company’s objectives, goals or future plans are forward looking statements. Forward looking statements involve inherent risks and uncertainties where actual results could differ materially from those currently anticipated.

**THE TORONTO STOCK EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR
THE ADEQUACY OR ACCURACY OF THIS RELEASE.**



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