



**NEW CENTURY ENERGY CORP. ANNOUNCES FUNDING OF \$15,000,000  
PURSUANT TO A SECURITIES PURCHASE AGREEMENT WITH LAURUS  
MASTER FUNDS, LTD.**

HOUSTON, TX – July 11, 2005 - New Century Energy Corp. (OTCBB: NCEY) announced that on June 30, 2005 the company entered into a Securities Purchase Agreement with Laurus Master Fund, Ltd., whereby NCEY sold a Secured Convertible Term Note in the principal amount of fifteen million dollars (\$15,000,000). A significant portion of the fifteen million dollars received by NCEY was immediately used to acquire a 6.2% working and term royalty interest for a total 5.464% net revenue interest in production from the Lindholm-Hanson Gas Unit and certain other leases in the Wishbone Field in McMullen County, Texas and to retire all of the current portion of NCEY's notes payable. This acquisition closed on June 30<sup>th</sup>, with an effective date for ownership of the acquired interests of April 1, 2005.

The Secured Convertible Term Note may convert into approximately 24,193,548 shares of Common Stock of NCEY at \$0.62 per share. The company has already received \$15,000,000 in connection with the agreement with Laurus. In connection with the Securities Purchase Agreement and the Note, Laurus Master Fund, Ltd. also received warrants to purchase 7,258,065 shares of NCEY common stock at \$0.80 per share and an option to purchase 20% of the company's outstanding common stock. For more information on the Note, Warrant, Option and other related documents and agreements, please see the company's filings on the SEC's website at [www.sec.gov](http://www.sec.gov).

"With this strategic funding relationship, New Century Energy has entered into a new and significant chapter of corporate growth. A significant portion of the funds received from Laurus was used on June 30<sup>th</sup> to conclude a large strategic and timely acquisition of Proved Developed Producing gas reserves. We have already approved drilling of new well locations in the Wishbone Field and a portion of the remaining funds will be deployed for drilling and recompletions activities on our existing properties and leases," says New Century Energy Corp. President and CEO Edward DeStefano. "Additionally, we have already commenced re-completion operations on our existing South Sargent field gas wells and expect to commence drilling operations on this property in the third quarter," added DeStefano.

"A significant feature to our relationship with Laurus, is that before March 27, 2006 Laurus has the right to invest up to an additional \$15,000,000 under similar terms and conditions of the existing

Securities Purchase Agreement,” stated DeStefano. “With this potential additional new funding in place, NCEY will have the capability to react quickly and with certainty when new acquisition and development opportunities arise in the future,” commented DeStefano.

**About New Century Energy Corp.**

New Century Energy Corp. is an oil and gas exploration and production company headquartered in Houston, Texas concentrating on domestic activity. The Company currently owns interests in over 4,500 acres throughout Texas, with ownership and operations in natural gas producing fields, such as South Sargent in Matagorda County, Wishbone Field in McMullen County and oil producing acreage in the San Miguel Creek and Tenna oil fields in McMullen and Wharton Counties, Texas.

**Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Act"). In particular, when used in the preceding discussion, the words "believes," "expects," "intends," "will," "anticipated," or "may," and similar conditional expressions are intended to identify forward-looking statements within the meaning of the Act, and are subject to the safe harbor created by the Act. The Securities and Exchange Commission has generally permitted oil and gas companies in their filings with the SEC to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We use the terms probable and possible reserves, reserve potential or upside or other descriptions of volumes of reserves potentially recoverable through additional drilling or recovery techniques that the SEC's guidelines may prohibit us from including in filings with the SEC. These estimates are by their nature more speculative than estimates of proved reserves and accordingly are subject to substantially greater risk of being actually realized by the Company. Except for historical information, all of the statements, expectations and assumptions contained in the foregoing are forward-looking statements that involve a number of risks and uncertainties. The reserve data included herein represents only estimates. Reserve engineering is a subjective process of estimating underground accumulations of oil and natural gas that cannot be measured in an exact manner. As a result, estimates of different engineers often vary. The estimates of reserves, future cash flows and present value are based on various assumptions, including those prescribed by the SEC relating to oil and natural gas prices, and are inherently imprecise. Our reserves and future cash flows may be subject to revisions based on many factors. It is possible that the assumptions made by management are not necessarily the most likely, and may not materialize, including but not limited to the possible undeveloped gas reserve. In addition, other important factors that could cause actual results to differ materially include the following: business conditions and the amount of growth in the Company's industry and general economy; competitive factors; ability to attract and retain personnel; the price of the Company's stock; and the risk factors set forth from time to time in the Company's SEC reports, including but not limited to its annual report on Form 10-KSB; its quarterly reports on Forms 10-QSB; and any reports on Form 8-K. New Century Energy Corp. (OTCBB:NCEY) takes no obligation to update or correct forward-looking statements, and also takes no obligation to update or correct information prepared by third parties that is not paid for by the Company.

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