



# ***NEWS RELEASE***

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## **New Century Energy Announces Closing of Acquisition**

***Acquired Properties to Boost Reserves by Over 50% and Production by Nearly 60%  
Acquisition Funding Provides Additional Drilling Capital***

HOUSTON, TX – May 15, 2006 – New Century Energy Corp. (OTCBB: NCEY) has announced that the Company's newly formed wholly-owned subsidiary, Gulf Coast Oil Corporation ("Gulf Coast"), has closed an asset purchase agreement of oil and gas producing properties with privately-held Manti Resources, Inc. and its affiliates for a total purchase price of \$33 million, before adjustments for accrued revenues. The transaction closed on April 28, 2006 with an effective date of December 1, 2005.

The Company, through its Gulf Coast subsidiary, also announced that it issued a \$40 million Secured Term Note to Laurus Master Fund, Ltd. ("Laurus"), with proceeds used to fund the acquisition and for future drilling expenses associated with Gulf Coast's properties. Terms of the secured note with Laurus were disclosed in an 8-K filing dated April 26, 2006.

The assets purchased include oil and gas producing properties and 9,167 gross acres (8,675 net acres) of developed and undeveloped oil and gas mineral leases located in McMullen County, Texas near New Century Energy's existing core area of operations. A reserve report prepared by the independent petroleum engineering firm, R.A. Lenser and Associates, attributes estimated total proved reserves underlying the acquired properties as of May 1, 2006 of approximately 784,000 barrels of oil equivalent (BOE), of which 13% are classified as proved undeveloped. Current production from the properties is approximately 600 BOE/d net to Gulf Coast's working interest, from 12 producing wells. The properties consist primarily of crude oil

deposits, which make up over 95% of the proved reserves and approximately 90% of the current production volumes. New Century Energy is the sole operator of these properties.

“We are very excited about this acquisition of proved oil reserves and the growth potential the properties add to our asset base, along with the continued financial support we received from Laurus,” stated Edward DeStefano, President and CEO of New Century Energy. “The acquired properties, which currently cash flow approximately \$1.4 million per month net, increase our proved reserve base by over 50% and production by nearly 60% from year-end 2005 levels. In addition, the acquisition triples our leasehold acreage position and provides a rich inventory of drilling and low-risk development opportunities that should enhance the productivity of these properties,” added DeStefano.

Initial assessment has identified ten potential drilling locations, supported by 3D seismic. New Century Energy plans to drill at least five wells on the associated properties during the second half of 2006. Typical well costs average roughly \$500,000 per well. Approximately \$5 million has been budgeted for drilling activities and related seismic acquisition and processing expenditures during 2006. Identification of additional drilling opportunities is expected once a separate 3D seismic license is acquired and the data interpreted.

“Current production and near term drilling opportunities on these properties will focus on shallow wells at depths of 6,000 feet or less, targeting the Upper Wilcox formation. Longer term, this area also includes potential for higher impact exploration opportunities at depths below 6,000 feet,” concluded DeStefano.

New Century Energy Corp. is an independent energy company engaged in oil and gas exploration, development and production. New Century Energy currently owns interests in over 15,000 acres throughout the State of Texas; including oil producing acreage in McMullen County, Wharton County, and Jim Hogg County, Texas. Natural gas producing fields include the operated Sargent South Field in Matagorda County, and non-operated acreage in the Wishbone Field in McMullen County, Texas. New Century Energy’s mission is to increase shareholder value by acquiring producing properties, profit from current drilling and development activities, and engage in opportunistic joint ventures that can expand its

development program and prospect base. Additional information is available at <http://www.newcenturyenergy.com>.

**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. 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 are not paid for by the Company.