



**CREW ENERGY (TSX: CR) PROVIDES 2007 GUIDANCE AND
Q4 - 2006 OPERATIONAL UPDATE**

December 7, 2006
Calgary, Alberta

INITIAL 2007 GUIDANCE

Crew Energy Inc. is pleased to announce that the Company's Board of Directors has approved a 2007 capital budget of \$134 million which is expected to result in a 35% increase in year over year production per share. This capital program is forecasted to yield average 2007 production of between 8,500 and 8,800 boe per day and a 2007 exit rate between 9,500 and 10,000 boe per day.

Crew's 2007 planned drilling program includes 65 net wells focusing on development drilling in its main areas of Ferrier, Viking Kinsella, Wimborne and Edson in central Alberta along with Inga in northeast British Columbia. Consistent with prior years, Crew will also direct 25% of its drilling budget to exploration drilling that will provide exposure to larger reserve targets.

The 2007 capital program is currently projected to be funded through cash flow from operations and utilization of the Company's bank facility. Using current forward strip commodity price assumptions of US \$67 per barrel for WTI oil and an AECO gas price of CDN \$8.10 per mcf, Crew's 2007 funds flow from operations is estimated to be between \$100 and \$104 million or between \$2.36 and \$2.44 per diluted share and 2007 year-end debt to be between \$82 and \$86 million or approximately 0.6 times year-end run rate cash flow. Crew currently has no commodity hedges in place and for capital budgeting purposes has used a price deck that is currently 13% below the forward strip to ensure adequate funding of its 2007 program.

Operationally, Crew will continue to focus its efforts on maintaining a low cost operation. The Company is forecasting 2007 operating costs to average \$5.65 per boe and general and administrative costs of \$0.89 per boe. These costs should continue to be amongst the lowest in our peer group.

CONTINUING HIGH LEVEL OF OPERATIONS

In the fourth quarter the Company has drilled 11 (10.05 net) wells and is drilling one (1 net) additional well at Ferrier prior to year-end. Fourth quarter drilling has resulted in seven (7 net) cased gas wells in the Viking Kinsella and Plain Lake areas of Alberta, one (0.5 net) cased gas well at Hanlan, Alberta, two (1.35 net) cased gas wells at Wimborne/Drumheller, Alberta and one (1.0 net) cased oil well at Ferrier, Alberta. Completion operations in the fourth quarter have yielded some significant flow rates from exploration wells at Edson (510 boe per day net to Crew) and Hanlan (750 boe per day net to Crew) and a development well at Plain Lake (125 boe per day net to Crew). Crew has also drilled an oil discovery at Inga, B.C. (190 boe per day net to Crew) and expects to drill additional wells in this area in 2007. With these results Crew remains on track to enter 2007 producing in excess of 8,100 boe per day.

POSITIONED FOR GROWTH

On November 21, 2006 Crew completed the acquisition of Gladius Energy Inc. The acquisition of Gladius adds approximately 1,100 boe per day of production and approximately 11,000 net acres of undeveloped land in Crew's Ferrier area. The Company has identified 15 net drilling locations on the Gladius lands including a deep Leduc exploration well expected to be drilled in 2007.

Crew's strong financial position, high quality development inventory and exploration upside provide the Company with growth prospects through 2007 and beyond. During this time of uncertainty brought on by the Canadian Government's proposed taxation of trusts, Crew believes it is well positioned to take advantage of the opportunities that may arise over the next year.

Crew Energy Inc. is a Calgary-based growth oriented junior oil and natural gas producer. Crew's activities are concentrated in central Alberta and northeast British Columbia and focus on the development and expansion of its core natural gas and light oil producing areas and exploration of its undeveloped land base. Crew's experienced management team is committed to the pursuit of sustainable per share growth through an internally generated exploration and development drilling program complemented by strategic acquisitions. Crew's common shares trade on the Toronto Stock Exchange under the symbol CR.

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READER ADVISORY

Forward-Looking Statements: Certain information regarding the Company in this news release including management's assessment of future plans and operations, production estimates, drilling inventory and wells to be drilled, timing of drilling and tie-in of wells, productive capacity of new wells, capital expenditures and the timing thereof, may constitute forward-looking statements under applicable securities laws and necessarily involve risks including, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, the timing and length of plant turnarounds and the impact of such turnarounds and the timing thereof, delays resulting from or inability to complete the transaction or obtain required regulatory approvals and ability to access sufficient capital from internal and external sources. As a consequence, the Company's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or, if any of them do so, what benefits the Company will derive therefrom.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the Company's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com), and the Company's website (www.crewenergy.com). Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

BOE Disclosure: Disclosure provided herein in respect of barrels of oil equivalent (boe) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.