



SOUTHERN PACIFIC SUBMITS STP-McKAY PROJECT APPLICATION

May 29, 2009

Southern Pacific Resource Corp. (“**Southern Pacific**” or the “**Corporation**”) (STP – TSX-V) is pleased to announce that the Corporation submitted an application today to the Alberta Energy Resources Conservation Board (ERCB) and Alberta Environment for the development of its first 12,000 barrel per day bitumen project, utilizing proven in-situ steam assisted gravity drainage (SAGD) technology. Submission of this application is believed to be the final step before contingent resources on the Corporation’s STP-McKay project can be reclassified as Probable and Possible reserves. The project application is a complete and encompassing document that addresses all of the necessary and stringent requirements that must be met prior to approval of a commercial project of this size.

The STP-McKay project is located approximately 45 km northwest of Fort McMurray. Southern Pacific discovered the STP-McKay project area two winters ago with the drilling of 32 core holes on its McKay block. The core holes provided an excellent understanding of the area’s bitumen resource and allowed the Corporation to begin making development plans for the project. Over the past 18 months, the Corporation has prudently spent capital and collected the necessary data to complete the requirements for the project application. These requirements include:

- Drilled 40 assessment wells within the project area, of which 33 have been cored and fully analyzed
- Engineering design basis memorandum for all facilities
- Detailed cap rock study
- Several environmental studies
- Civil engineering planning including a road and facilities sites
- SAGD well pair design
- Reservoir simulation studies
- Water source studies, including the drilling and testing of sufficient water supply
- Meaningful and inclusive stakeholder consultation

Southern Pacific is currently having its McKay asset evaluated by McDaniel and Associates. The Corporation expects the process to result in the assignment of Probable and Possible reserves from within the project area when the evaluation is completed by the end of the Corporation’s fiscal year on June 30, 2009.

The STP-McKay project application will be available for viewing on Southern Pacific’s website (www.shpacific.com) within 10 days. It will also be available on the ERCB website. Southern Pacific’s corporate presentation, available on the Corporation’s website, also describes the STP-McKay project in detail.

Southern Pacific is also pleased to announce that Glenn Miller has been promoted to Vice President, Land & Regulatory Affairs. Mr. Miller has been with Southern Pacific for one year as Manager, Land and Stakeholder Affairs. He has 15 years of direct energy related experience and has held management land and stakeholder affairs positions with MGM Energy, APF Energy and Hunt Oil Company. In conjunction with the promotion, Mr. Miller was granted 50,000 stock options. The options will be granted at an exercise price of \$0.51 per common share and expire on May 27, 2014. The Corporation has determined that exemptions from the various requirements of TSX Venture Exchange Policy 5.9 are available for the granting of the options.

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Readers' Advisory

Barrel of Oil Equivalent: Where amounts are expressed on a barrel of oil equivalent ("boe") basis, natural gas volumes have been converted to boe at a ratio of 6,000 cubic feet of natural gas to one barrel of oil equivalent. This conversion ratio is based upon an energy equivalent conversion method primarily applicable at the burner tip and does not represent value equivalence at the wellhead. Boe figures may be misleading, particularly if used in isolation.

Safe Harbour

This news release contains certain "forward-looking information" within the meaning of such statements under applicable securities law including estimates as to: future production, operations, operating costs, commodity prices, administrative costs, commodity price risk management activity, acquisitions and dispositions, capital spending, access to credit facilities, income and oil taxes, regulatory changes, and other components of cash flow and earnings anticipated discovery of commercial volumes of bitumen, the timeline for the achievement of anticipated exploration, anticipated results from the current drilling program and, subject to regulatory approval and commercial factors, the commencement or approval of any SAGD project.

Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include

the inherent risks involved in the exploration and development of conventional oil and gas properties and of oil sands properties, difficulties or delays in start-up operations, the uncertainties involved in interpreting drilling results and other geological data, fluctuating oil prices, the possibility of unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors including unforeseen delays. As an oil sands enterprise in the development stage, with some conventional production Southern Pacific faces risks including those associated with exploration, development, start-up, approvals and the continuing ability to access sufficient capital from external sources if required. Actual timelines associated may vary from those anticipated in this news release and such variations may be material. Industry related risks could include, but are not limited to, operational risks in exploration, development and production, delays or changes in plans, risks associated to the uncertainty of reserve estimates, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. For a description of the risks and uncertainties facing Southern Pacific and its business and affairs, readers should refer to Southern Pacific's most recent Annual Information Form. Southern Pacific undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change, unless required by law.

The reader is cautioned not to place undue reliance on this forward-looking information.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.