

# TALISMAN

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FOR: TALISMAN ENERGY INC.

TSE, NYSE SYMBOL: TLM

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Talisman Acquires Almost 500,000 Net Acres of Land in Canada in 2000

CALGARY, ALBERTA--Talisman Energy Inc. today announced major additions to its landholdings in Canada, substantially increasing the Company's inventory of natural gas prospects.

Year to date, the Company has purchased over 475,000 net acres at a cost of \$66 million (\$139/acre). This compares to 284,000 net acres in 1999 at a cost of \$20 million (\$71/acre).

"We have the people, opportunities, rigs and capital to support the largest drilling program we have ever undertaken in Canada," said Dr. Jim Buckee, President and Chief Executive Officer. "We plan to drill 650 wells next year, up 20% from 2000. We are currently operating 26 drilling rigs and 24 completion rigs, a new record high for Talisman. Although land costs have increased, drilling is still the best and cheapest route to add gas reserves, especially in this pricey acquisition market. We anticipate our corporate proved finding and development costs to come in below C\$7/boe in 2000, and expect to generate 10-15% per share production growth next year."

The Company maintains a two to three year rolling inventory of exploration prospects in Canada. Plans to drill over 200 exploration wells in 2001 are supported by more than 500 exploration prospects and leads. The Company expects to add approximately 100 million boe's of reserves in Canada through exploration and development drilling next year (130% of anticipated production). Talisman continues to focus on larger gas targets in deeper parts of the Basin. Approximately 95% of the spending on land this year has been gas directed. The following is a regional breakdown of the acquired acreage:

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	Net Acres (000)	%
Peace River Arch	182	38
Alberta Foothills	67	14
Deep Basin	53	11
Ontario	42	9
Edson	38	8
Whitecourt	25	5
Monkman	20	4
Northern Plains	17	4
Other	32	7
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Total	476	100

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By way of comparison, Talisman estimates it has acquired approximately 5% of the total land purchased in Alberta this year and 10% of the deeper parts of the Basin. This preponderance of deeper acreage accounts for the fact that Talisman's land price is some 20% higher than the industry average. Talisman's land purchases (net acres) are up 68% over 1999 compared with 30% for the industry. At year end, Talisman estimates it will hold over 4 million net acres of land in Canada.

Talisman Energy Inc. is the largest independent Canadian oil and gas producer with operations in Canada, the North Sea, Indonesia and Sudan. Talisman is also conducting exploration in Algeria, Trinidad and Colombia. Talisman has adopted the International Code of Ethics for Canadian Business and is committed to maintaining high standards of excellence in corporate citizenship and social responsibility wherever it does business. The Company's shares are listed on The Toronto Stock Exchange in Canada and the New York Stock Exchange in the United States under the symbol TLM.

#### FORWARD-LOOKING STATEMENTS

Statements in this press release may contain forward-looking statements including expectations of future cash flow, production and capital expenditures. Information concerning reserves may also be deemed to be forward-looking statements as such estimates involve the implied assessment that the resources described can be profitably produced in future. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ from those anticipated. These risks include, but are not limited to: the background risks of the oil and gas industry (e.g., operational risks in development, exploration and production; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), risks in conducting foreign operations (e.g. political and fiscal instability), price and exchange rate fluctuation and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Additional information on these and other factors which could affect Talisman's operation or financial results are included in Talisman's Annual Report under the headings "Management's Discussion and Analysis - Sensitivities," "Risks and Uncertainties," and "-Outlook," and in Talisman's other reports on file with Canadian securities regulatory authorities and the U.S. Securities and Exchange Commission.

This release is available on Talisman's Internet Web Site:  
[WWW.TALISMAN-ENERGY.COM](http://WWW.TALISMAN-ENERGY.COM)

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#### FOR FURTHER INFORMATION PLEASE CONTACT:

Talisman Energy Inc.  
David Mann, Manager, Investor Relations  
& Corporate Communications  
(403) 237-1196  
(403) 237-1210 (FAX)  
E-mail: [t1m@talisman-energy.com](mailto:t1m@talisman-energy.com)  
Website: [www.talisman-energy.com](http://www.talisman-energy.com)