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FOR: TALISMAN ENERGY INC.

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Talisman Gives Green Light For One of the UK's Smallest Oil Fields

CALGARY, ALBERTA--Talisman Energy (UK) Limited, a wholly-owned subsidiary of Talisman Energy Inc., and its partner Summit North Sea Oil Limited have given the go-ahead for development of the Beaully oil field. A novel contracting arrangement with Global Marine Integrated Services (GMIS), has been the catalyst for the deal. Talisman has a 60 per cent interest and Summit holds the remaining 40 per cent interest in the area.

Dr. Jim Buckee, President and Chief Executive Officer, Talisman Energy Inc., said: "I am delighted that Beaully has come to fruition. Talisman believes strongly in the long-term future of the UK Sector, but recognizes that this can only come about if the whole industry continues to challenge traditional ways of working.

Beaully reflects this, and marks an exceptional level of cooperation between the infrastructure owners led by Agip, operator of the Balmoral FPV, BP Amoco on behalf of the Forties Pipeline and Brae Systems and with the contracting community, led by GMIS and Stolt Offshore Ltd."

Beaully (formerly known as Zeta) was discovered in 1998 in Block 16/21c of the Central North Sea. With expected reserves of only 3 mmbbls oil, the oil field will be developed using a 4,000' horizontal extension to an existing well. This single well will then be completed and tied-back via a subsea pipeline to the Balmoral floating production system. First production is expected the fourth quarter of 2000 at an initial rate of 10,000 bbls/d. The development is subject to DTI consent.

Mr. James McCallum, President of GMIS said: "Beaully has only been made possible by radical technical and commercial innovation. Our relationship with Talisman has been excellent throughout the project and we look forward to demonstrating that Beaully is a model for future UK marginal field developments."

Helen Liddell, Minister for Energy said: "Initiatives like this show that companies with the imagination to propose creative solutions can make small prospects economic. This is how we will capture the substantial value remaining in the North Sea."

Talisman Energy Inc. is the largest independent Canadian oil and gas producer. The Company has operations in Canada, the North Sea, Indonesia and Sudan. Talisman is also conducting exploration in Algeria and Trinidad. Talisman'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 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.

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