

***PENN WEST***  
***PETROLEUM LTD.***

**NEWS RELEASE**

**Penn West Petroleum Ltd. Announces Normal Course Issuer Bid**

**FOR IMMEDIATE RELEASE**, Tuesday, February 25, 2003

**PENN WEST PETROLEUM LTD. (TSE – PWT)** is pleased to announce a normal course issuer bid

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Penn West Petroleum Ltd. ("Penn West") announced today that it intends to make a normal course issuer bid. The Toronto Stock Exchange ("TSX") has accepted a filing outlining Penn West's normal course issuer bid (the "Bid"). The repurchase of any common shares under this Bid will be carried out through the facilities of the TSX.

Penn West intends to repurchase for cancellation up to a maximum of 2,687,824 of its issued common shares, representing up to five percent of the 53,771,790 currently issued and outstanding common shares. The Bid will commence on February 27, 2003 and will extend for a period not to exceed one year. The price that Penn West will pay for any acquired common shares under the Bid will be the market price at the time of acquisition. The actual number of shares that will be purchased and the timing of any purchases will be determined by Penn West taking into account the market price and any other competing investment opportunities.

Penn West is proceeding with a record exploration and development program during 2003. Activities during the first quarter are focused on natural gas growth in the Northern Core Area. It is the Company's view that this exploration and development program represents the best opportunity to create value. However, with the current strength in commodity prices, there is potential for 2003 cash flows to exceed capital expenditures under the base budget, and Penn West is considering investment alternatives for any incremental cash flows.

The Company believes that its common shares have been trading in a range that does not fully reflect the value of Penn West's business and future prospects. It is expected that any purchase of shares under the Bid will enhance value for the remaining shareholders by providing shareholders with a greater percentage ownership in the Company.

Penn West Petroleum Ltd. is a senior independent Canadian oil and natural gas company based in Calgary, Alberta. Penn West focuses on exploration and development activity in the Western Canadian Sedimentary Basin. Penn West trades on The Toronto Stock Exchange under the symbol PWT.

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