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## **ZAURALNEFTEGAZ BIDS FOR ADDITIONAL EXPLORATION AND PRODUCTION LICENSES IN WEST SIBERIA, RUSSIA**

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NEW YORK, NY (MAY 22, 2006) – Siberian Energy Group, Inc. (OTC BB: SIBN), a U.S.-based oil and gas exploration company, announced that LLC Zauralneftegaz (ZNG), the 50/50 Joint Venture between Siberian Energy Group and Baltic Petroleum (E&P) Ltd., will bid for five new 25-year exploration and production licenses in West Siberia.

The first three auctions are scheduled to take place May 31, 2006 (Yuzhno-Voskresensky and Petuhovsky), and June 14, 2006 (Lebyazhevsky block). The auctions for the remaining two licenses are expected in the fourth quarter of 2006.

ZNG currently owns four exploration licenses comprising 644,000 acres in the Kurgan Region of West Siberia. Assuming the addition of the five new licenses, ZNG's total holdings will total one million acres.

David Zaikin, Chairman and CEO of Siberian Energy, said: "We are excited about the prospect of securing the five additional licenses. We chose these particular parcels for a number of reasons: they have rock formations that present a large oil-generating potential, they are situated in close vicinity to ZNG's existing licenses, they have a well-developed infrastructure, and extensive data already exist for the licensed areas." For more information on the blocks, please, visit [http://siberianenergy.com/s\\_39.asp](http://siberianenergy.com/s_39.asp)

If ZNG obtains the five licenses, the Company will have access to the results of previously conducted seismic surveys through the Geological Fund of the Ministry of Natural Resources of the Russian Federation.

Scientific and technical analysis on the current licenses area is being performed by a team of geologists from Exploration Consultants Limited ([www.ecgc.com](http://www.ecgc.com)), one of the leading international oil and gas consulting firms, as well as interpretation specialists from Geodata Consulting. The analysis is expected to be completed by the end of May 2006.

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## About Siberian Energy Group

Siberian Energy is one of the few public U.S. based oil and gas exploration companies with 100% of its assets located in West Siberia, Russia.

The Company evaluates investment and acquisition opportunities in Russia and Eastern Europe with the goal of bringing a portfolio of natural resource licenses and operating companies to Western investors. Siberian Energy strives to provide an attractive ROI to shareholders by pursuing high-yield investment projects, reducing costs, and adhering to strict principles of transparency, disclosure and environmental consciousness. Additional information can be found at [www.siberianenergy.com](http://www.siberianenergy.com).

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*FORWARD-LOOKING STATEMENTS: The forward-looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis only as of the date hereof. The company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date thereof. Readers should carefully review the risks described in other documents the company files from time to time with the Securities and Exchange Commission, including Annual Reports, Quarterly Reports and Current Reports on Form 8-K.*