

VAALCO Energy, Inc.  
4600 Post Oak Place, Suite 309  
Houston, Texas 77027  
Tel: (713) 623-0801  
Fax: (713) 623-0982

## VAALCO Energy, Inc. Well Update

HOUSTON –(PR Newswire)- July 18, 2003 – VAALCO Energy, Inc. (VEIX – OTC), today announced that the Etame Field offshore Gabon has been restored to full production. Two wells, ET-3H and ET-1VA, had been temporarily shut in due to a sudden and unexplained loss of hydraulic pressure to down hole safety valves (“SSSV”). Subsea inspections conducted with a remote operated vehicle (ROV) confirmed earlier views that hydraulic lines had indeed been ruptured between the FPSO and the sub-sea wellheads causing the loss of hydraulic pressure which in turn triggered the SSSV shut in. Following the repairs, production at Etame has been restored to its prior level of approximately 15,000 barrels per day (4,210 bopd net to VAALCO).

VAALCO’s subsidiary VAALCO Gabon (Etame), Inc. operates and owns a 28.07% interest in the Etame Field. Other Field partners are PanAfrican Energy Gabon Corp. (31.36%), Sasol Petroleum West Africa (Ltd.) (27.75%), Energy Resources Japan Etame (Gabon) Limited (2.98%) , PetroEnergy Resources Corp. (2.34%) and Energy Africa Gabon (7.5%).

This press release includes “forward-looking statements” as defined by the U.S. securities laws. Forward-looking statements are those concerning VAALCO’s plans, expectations, and objectives for future drilling, completion and other operations and activities. All statements included in this press release that address activities, events or developments that VAALCO expects, believes or anticipates will or may occur in the future are forward-looking statements. These statements include future production rates, completion and production timetables and costs to complete wells. These statements are based on assumptions made by VAALCO based on its experience and perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond VAALCO’s control. These risks include, but are not limited to, inflation, lack of availability goods, services and capital, environmental risks, drilling risks, foreign operational risks and regulatory changes. Investors are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. These risks are further described in VAALCO’s annual report on form 10K/SB for the year ended December 31, 2002 and other reports filed with the SEC which can be reviewed at [www.sec.gov](http://www.sec.gov), or which can be received by contacting VAALCO at 4600 Post Oak Place, Suite 309, Houston, Texas 77027, (713) 623-0801.

**For further information contact:**  
**Robert L. Gerry, III**  
**713-499-1466**