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VAALCO Energy, Inc. Announces Intent to Acquire 65% Stake in Oil Discovery Offshore Gabon

HOUSTON--(PRNewswire)--October 31, 2000--VAALCO Energy, Inc. ([VEIX](#) – OTC), announced that it has signed a letter of intent with Western Atlas Afrique, Ltd. to acquire its 65% interest in the Etame Block offshore Gabon, West Africa subject to agreement on final terms and conditions. Financial and other considerations for the acquisition were not disclosed. The agreement is subject to government approval but is expected to close before year-end.

The Etame block contains a 3,700 barrels oil per day oil discovery drilled by the VAALCO led consortium in 1998. A delineation well was drilled in 1999 to establish the oil water contact in the field, and a 3-D seismic reprocessing effort has been ongoing to better define the size of the accumulation.

VAALCO anticipates drilling a second delineation well to test the field limits in the early portion of 2001. A letter of intent has been entered into with a drilling company operating rigs in Gabon for the use of a jack-up rig to drill the well. The 8,000 foot well is designed to test an additional fault block up dip to the existing discovery.

VAALCO is an independent oil and gas exploration and production company with oil and gas assets in Gabon, the Philippines and in Texas.

Some matters set forth in herein are forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Investors are directed to consider other risks and uncertainties in documents filed by the Company with the Securities and Exchange Commission.

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