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# VAALCO Energy Provides Drilling Update

HOUSTON, June 24, 2013 /PRNewswire/ -- VAALCO Energy, Inc. (NYSE: EGY) today provided an update on its ongoing multi-well drilling and recompletion program offshore Gabon. An exploration appraisal well drilled and logged to evaluate an untested fault block on the South West flank of the Ebouri field has encountered water in the Gamba reservoir and in the Dentale formation, and will be abandoned.

(Logo: https://photos.prnewswire.com/prnh/20100316/NY71495LOGO )

The Company will shortly commence operations to install new electric submersible pumps (ESPs) on its producing well in the Ebouri field. The contracted rig, the KCA Deutag "Ben Rinnes", will then be moved onto location north of the Etame field to drill an exploration well on Prospect Ovoka (formerly Mu). The well will be drilled in 60 meters of water to a depth of 2,700 meters to evaluate the Gamba reservoir and the underlying Lucina formation. Studies undertaken by VAALCO and its consortium partners with respect to Prospect Ovoka indicate that potential reserves in excess of 30 million gross barrels of oil are estimated to be recoverable.

As previously announced, the Company successfully completed the first well in the program, the development well (EAVOM-3H) in the Avouma field. The Company has also completed the replacement of the ESPs on two wells on the Avouma platform, the EAVOM-2H well and ETBSM-1H well.

VAALCO and its consortium partners are evaluating the availability of drilling rigs to drill additional exploration wells offshore Gabon once the current multi-well drilling program is completed.

**Forward-Looking Statements**

This document includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. 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 document 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 expected capital expenditures, future drilling plans, prospect evaluations, negotiations with governments and third parties, acquisition opportunities and reserve growth. These statements are based on assumptions made by VAALCO based on its experience 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, general economic conditions, oil and gas price volatility, the Company's success in discovering, developing and producing reserves, lack of availability of goods, services and capital, environmental risks, drilling risks, foreign operational risks, and regulatory changes. These and other risks are further described in VAALCO's annual report

on Form 10-K for the year ended December 31, 2012 and other reports filed with the SEC which can be reviewed at http://www.sec.gov, or which can be received by contacting VAALCO at 4600 Post Oak Place, Suite 300, Houston, Texas 77027, (713) 623-0801. 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. VAALCO disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

**About VAALCO**

VAALCO Energy, Inc. is a Houston based independent energy company principally engaged in the acquisition, exploration, development and production of crude oil. VAALCO's strategy is to increase reserves and production through the exploration and exploitation of oil and natural gas properties with high emphasis on international opportunities. The company's properties and exploration acreage are located primarily in Gabon, Angola and Equatorial Guinea in West Africa.

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