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VAALCO Energy Provides Update On Operations Offshore Gabon

HOUSTON, Oct. 12, 2015 /PRNewswire/ -- VAALCO Energy, Inc. (NYSE: EGY) today announced a re-sequencing update to its drilling and workover program offshore Gabon in the Etame Marin block.



As previously reported in a press release dated September 16, 2015 announcing the strong results from the initial North Tchibala field development well, the Company planned to mobilize the Transocean Constellation II jackup rig to the Avouma/South Tchibala field to conduct workover operations to replace electrical submersible pumps (ESP's) on three existing development wells, two of which are currently off production.

The North Tchibala 1-H well, the first well drilled by VAALCO to the Dentale formation, continues to produce at a rate of approximately 3,000 gross barrels of oil per day (approximately 750 barrels per day net revenue interest to VAALCO) without artificial lift. Subsequent to completion of the well, adverse sea state conditions at the location of the SEENT Platform prevented VAALCO from moving the rig to the Avouma/South Tchibala Platform. Rather than wait for a change in sea state conditions and incur the expense of idle / standby rig time, and coupled with the continued strong performance of the first Gabon offshore Dentale development well, VAALCO and its partners jointly agreed to re-sequence the drilling and workover program and proceed with the drilling and completion of the North

Tchibala 2-H well, designed to develop oil production from the deeper Dentale D18-19 formation.

Drilling operations are currently proceeding on time and on budget with the expectation that the well will be drilled to a depth of approximately 16,000 feet and will be finalized in November. Following finalization of the current operation, and on the assumption of satisfactory sea state conditions, the rig will be mobilized to the Avouma/South Tchibala Platform to conduct the aforementioned workover operations. Historic weather patterns suggest that conditions will be improving in the timeframe in which the rig will next require mobilization.

Additionally, the annual five-day shutdown of the Etame Marin block to allow the owner of the FPSO to perform maintenance operations that would have occurred this fall has been postponed until the first quarter of 2016.

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.

Other Information

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, liquidity, negotiations with governments and third parties, expectations regarding processing facilities, 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, oil and gas price volatility, inflation, general economic conditions, 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 quarterly report on Form 10-Q for the three months ended March 31, 2015, annual report on Form 10-K for the year ended December 31, 2014, 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 9800 Richmond Avenue, Suite 700, Houston, Texas 77042, (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.

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