May 22, 2008

Proxy Advisory Firm Glass Lewis Recommends That VAALCO Stockholders Do Not Vote for Any of Nanes Delorme Partners' and Pilatus Energy's Nominees

VAALCO Reiterates Commitment to Request Stockholder Ratification of Stockholder Rights Plan at 2009 Annual Meeting

HOUSTON--(BUSINESS WIRE)--

VAALCO Energy, Inc. (NYSE: EGY) today announced that Glass Lewis & Co., an independent proxy advisory firm, recommends that VAALCO stockholders vote on the Company's WHITE proxy card and do NOT vote for any of Nanes Delorme Partners' and Pilatus Energy's director nominees at the Company's upcoming Annual Meeting of Stockholders on June 4, 2008. VAALCO's Board unanimously recommends stockholders vote FOR all of the Company's incumbent director nominees - William S. Farish, Arne R. Nielsen and W. Russell Scheirman - by signing, dating and returning the WHITE proxy card today.

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In its May 22, 2008 report, Glass Lewis states*:

--  "...we are concerned that the Dissident's primary plan for
    improvement appears to be pursuing a sale of the Company."

--  "In the absence of some credible suggestion (which is absent
    here) that the board is self-interested, ill informed,
    refusing to act, entrenched, or poor at its company oversight
    functions, we believe it is generally not a good idea for
    shareholders to substitute their judgment regarding the timing
    of strategic transactions for that of the board."
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In its report, Glass Lewis noted that the Company had previously adopted a stockholder rights plan without putting the plan to a stockholder vote. However, VAALCO announced on May 21, 2008, that its Board of Directors has determined to submit the Company's stockholder rights plan for ratification at the Company's 2009 Annual Meeting of Stockholders. If stockholders do not ratify the rights plan, the rights plan will be terminated.

"VAALCO's Board and management team have a record of execution and delivering solid stockholder returns. Indeed, VAALCO's stock price has equaled or surpassed virtually all accepted E&P peer group stock performance indicators over each of the last 1, 3 and 5 year periods. With VAALCO's imminent drilling program, we are confident in our ability to maintain this record of value creation well into the future," said Robert L. Gerry, III, VAALCO's Chairman and CEO.

Mr. Gerry continued, "In contrast, Nanes Delorme Partners and its recently revealed secret partner, Pilatus Energy, have serious conflicts of interest. The criminal history associated with Pilatus Energy's purported leader also raises significant concerns to us. We believe electing even one of Nanes Delorme Partners' and Pilatus Energy's nominees would put stockholder value at risk. We strongly urge all VAALCO stockholders to protect their investment by voting on the WHITE proxy card today and discarding any materials they receive from Nanes Delorme Partners and Pilatus Energy."

If stockholders have any questions about how to vote their WHITE proxy, they should contact the firm assisting VAALCO in the solicitation of proxies: D.F. King & Co., Inc. toll-free at 800-901-0068 or collect at 212-269-5550.

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* Permission to use quotations was neither sought nor obtained.

Important Information
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In connection with this solicitation of proxies, VAALCO filed with the SEC definitive proxy materials (the "Proxy Materials"). The Proxy Materials contain important information about VAALCO, the 2008 Annual Stockholders Meeting, and our nominees and other directors in the solicitation. VAALCO's stockholders are urged to read the Proxy Materials carefully. Stockholders may obtain additional free copies of the Proxy Materials and other relevant documents filed with the SEC by VAALCO through the website maintained by the SEC at www.sec.gov. The Proxy Materials and other relevant documents may also be obtained free of charge from VAALCO at VAALCO Energy, Inc., 4600 Post Oak Place, Suite 309, Houston, Texas 77027; or by phone at (713) 623-0801. The Proxy Materials are also available on VAALCO's website at www.vaalco.com. The contents of the websites referenced above are not deemed to be incorporated by reference into the Proxy Materials.

Forward-Looking Statements

This document 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 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 future production rates, completion and production timetables and costs to complete well. 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, lack of availability of 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 10-K for the year ended December 31, 2007 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 309, Houston, Texas 77027, (713) 623-0801.

The Securities and Exchange Commission generally permits oil and gas companies, in filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible

under existing economic and operating conditions. In this letter, we describe volumes of oil that we believe may be discovered in the future through our existing exploration program. These amounts are not proved reserves as defined by the SEC. These estimates are by their nature more speculative than estimates of proved reserves and accordingly are subject to substantially greater risk of being actually realized by VAALCO.

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 of oil and natural gas properties with high emphasis on international opportunities. The Company's properties and exploration acreage are located primarily in Gabon and Angola, West Africa.

Source: VAALCO Energy, Inc.