



**FOR IMMEDIATE RELEASE**

**LAREDO ENERGY ANNOUNCES RECORD  
NATURAL GAS PRODUCTION IN SOUTH TEXAS**

HOUSTON, TEXAS - November 4, 2010 - Laredo Energy announced today that the company's gross production of natural gas has reached record levels in Webb County, Texas. Gross production from Laredo's operations in the Eagle Ford shale reached 35 MMcfd flowing into the newly completed Eagle Ford Escondido Gathering System. Laredo expects to complete three more wells in Webb County and tie them into the system before the end of the year.

Laredo released the production information after successful fracture stimulation of the R.V. Benavides No. 5H well located 18.7 miles north of the City of Laredo. The well was completed in the Eagle Ford shale to a measured depth of 14,854 feet with a horizontal section of 3,200 feet and tested at over 10 MMcfd at 7,000 psi flowing tubing pressure on a 17/64-inch choke. "We now have twelve horizontal completions in Webb County where we have a 120,000 acre position," said Glenn Hart, Laredo Energy's President and CEO. "Our burgeoning drilling program in South Texas includes successful horizontal completions in the Eagle Ford shale and in the shallower Austin Chalk, Olmos and Escondido formations," added Hart.

Laredo Energy began development of the Webb County acreage position in late 2008. The company had been studying the Cretaceous Escondido formation for years as an unconventional target while it developed conventional wells in the county's Lobo Trend region south of Laredo. As other operators drilled the Eagle Ford shale in LaSalle County, Laredo's pilot drilling program to the southwest in Webb County confirmed gas-filled porosity in the Escondido, Olmos, Austin Chalk and Eagle Ford formations. Test wells also confirmed shallow, conventional targets in the San Miguel and Wilcox formations.

To date, Laredo Energy has six horizontal wells producing in the Eagle Ford shale, one in the Austin Chalk formation, one in the Olmos, and four in the Escondido formation. The company is operating one drilling rig in Webb County and expects to begin operating a second rig in mid November.

"We are very enthusiastic about our acreage position in Webb County and the opportunity to develop six different natural gas reservoirs, " said Hart. We have a robust inventory of drilling locations that provide us with a significant resource base in the dry gas window of the Eagle Ford shale as well as rich gas locations in shallower formations. We are also excited about the economic benefits that development of these resources will provide to the landowners and the local economies of the city of Laredo and Webb County."

About Laredo Energy:

Formed in 2001, Laredo Energy is a privately held company engaged in the acquisition and development of natural gas and oil reserves in South Texas. The company's management team has worked together in South Texas since 1983 and is led by Laredo's President and CEO, Glenn Hart. The group has a collective 200 years experience in the oil and gas industry and has drilled over 300 wells in Webb and Zapata Counties. Laredo Energy continues to drill 20 to 30 wells per year. Laredo also owns non-operating interests in more than 200 wells in the region. Laredo is backed by private equity investments from EnCap Investments L.P., and Avista Capital Partners. For more information, visit [www.laredoenergy.com](http://www.laredoenergy.com).

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