



**FOR IMMEDIATE RELEASE**

**LAREDO ENERGY ANNOUNCES RECORD  
NATURAL GAS PRODUCTION IN THE EAGLE FORD SHALE**

HOUSTON – July 28, 2011 - Laredo Energy announced today that the company's gross production of natural gas has exceeded previous record levels in Webb County, Texas. Gross production from Laredo's operations in the Eagle Ford shale reached 40 MMcfd following the successful fracture stimulation of two Eagle Ford wells and the completion of an extension to Meritage Midstream's Eagle Ford Escondido Gathering System (EEG) in northern Webb County. Laredo expects to complete three more wells in Webb County and tie them into the EEG system by the end of August.

Laredo released the production information after the Puig 3H, Puig 4H and Bruni-Summers 1H wells were tied into the EEG system. "We now have 25 horizontal completions in Webb County, where we have a 120,000-acre position," said Glenn Hart, Laredo Energy's president and CEO. "We are continuing to develop our Eagle Ford position while adding horizontal completions in the shallower Austin Chalk, Olmos and Escondido formations."

Laredo Energy began development of the Webb County acreage position in late 2008. The company added a second drilling rig in January 2011 in order to more fully develop shallow reservoirs above the Eagle Ford shale including the Olmos, Escondido and Austin Chalk formations.

Laredo Energy currently has 16 horizontal wells producing in the Eagle Ford shale, three in the Austin Chalk formation, one in the Olmos and five in the Escondido formation.

"With the attractive economics of these shallower reservoirs, it makes sense for us to develop those assets while maintaining our Eagle Ford acreage position in Webb County," Hart said. "Our latest Austin Chalk completion was in the curved portion of a lateral above the horizontal section in the Eagle Ford formation. We continue to uncover more opportunities in shallower reservoirs by reprocessing and analyzing our 3D seismic data. We are also excited about the economic benefits that development of these resources will continue to 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 has drilled more than 300 wells in Webb and Zapata counties, acquired several hundred more and owns non-operated interests in hundreds of

others. The company continues to drill 20 to 30 wells per year. The company is supported by equity capital commitments from EnCap Investments LP and Avista Capital Partners. For more information, visit [www.LaredoEnergy.com](http://www.LaredoEnergy.com).

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