



May 24, 2017

Contango Updates Southern Delaware Basin Operations

HOUSTON, May 24, 2017 (GLOBE NEWSWIRE) -- Contango Oil & Gas Company (NYSE MKT:MCF) ("Contango") announced today results on its second and third wells drilled on its Southern Delaware Basin acreage in Pecos County, Texas.

As previously reported, the Rude Ram #1H and Ripper State #1H were drilled from a common surface location approximately one mile south of the Lonestar Gunfighter #1, our first well in this area. Both wells targeted different landing zones within the Wolfcamp A and were completed in late April with initial flowback commencing shortly thereafter. After 30 days of flowback, the Rude Ram, which targeted the Upper Wolfcamp A, reached a maximum 24-hour IP rate of 1,304 Boed (69% oil), while the Ripper State, which targeted the Middle Wolfcamp A, reached a maximum 24-hour IP rate of 1,131 Boed (73% oil). These rates compare favorably to the 966 Boed maximum 24-hour IP rate previously disclosed for the Lonestar Gunfighter well which targeted the Middle Wolfcamp A.

The Gunner #2H, our fourth horizontal well, approximately two miles southeast of the Lonestar Gunfighter, has been drilled to the kickoff point at 9,735 feet and is being prepared for the drilling of a 10,000 lateral section into the Lower Wolfcamp A.

Contango Oil & Gas Company is a Houston, Texas based, independent energy company engaged in the acquisition, exploration, development, exploitation and production of crude oil and natural gas offshore in the shallow waters of the Gulf of Mexico and in the onshore Texas and Rocky Mountain regions of the United States. Additional information is available on the Company's website at <http://contango.com>.

This press release contains forward-looking statements regarding Contango that are intended to be covered by the safe harbor "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995, based on Contango's current expectations and includes statements regarding acquisitions and divestitures, estimates of future production, future results of operations, quality and nature of the asset base, the assumptions upon which estimates are based and other expectations, beliefs, plans, objectives, assumptions, strategies or statements about future events or performance (often, but not always, using words such as "expects", "projects", "anticipates", "plans", "estimates", "potential", "possible", "probable", or "intends", or stating that certain actions, events or results "may", "will", "should", or "could" be taken, occur or be achieved). Statements concerning oil and gas reserves also may be deemed to be forward looking statements in that they reflect estimates based on certain assumptions that the resources involved can be economically exploited. Forward-looking statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties, which could cause actual results to differ materially from those, reflected in the statements. These risks include, but are not limited to: the risks of the oil and gas industry (for example, operational risks in exploring for, developing and producing crude oil and natural gas; risks and uncertainties involving geology of oil and gas deposits; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to future production, costs and expenses; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; health, safety and environmental risks and risks related to weather such as hurricanes and other natural disasters); uncertainties as to the availability and cost of financing; fluctuations in oil and gas prices; risks associated with derivative positions; inability to realize expected value from acquisitions, inability of our management team to execute its plans to meet its goals, shortages of drilling equipment, oil field personnel and services, unavailability of gathering systems, pipelines and processing facilities and the possibility that government policies may change or governmental approvals may be delayed or withheld. Additional information on these and other factors which could affect Contango's operations or financial results are included in Contango's other reports on file with the Securities and Exchange Commission. Investors are cautioned that any forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from the projections in the forward-looking statements. Forward-looking statements are based on the estimates and opinions of management at the time the statements are made. Contango does not assume any obligation to update forward-looking statements should circumstances or management's estimates or opinions change. Initial production rates are subject to decline over time and should not be regarded as reflective of sustained production levels.

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