



## Aztec Files Annual & Quarterly Financials

**HOUSTON, TX January 27, 2011** -- Aztec Oil & Gas, Inc. (Pink Sheets: AZGS) announced that it filed its Annual audited financials the second week of January 2011, as promised in its press release of December 22, 2010. Subsequently, on January 21, 2011, Aztec timely filed its Quarterly financials for the quarter ended November 30, 2010.

While the accounting formats for both financial reports obviously vary somewhat, the following attempts to highlight some areas and numbers of interest:

### **Consolidated Balance Sheets:**

#### Current Assets

- Annual increase over August 31, 2009, approximately 428% to \$5,271,927.
- Quarterly increase from August 31, 2010 to November 30, 2010, approximately 21.6% to \$6,412,725.

#### Total Assets

- Annual increase over August 31, 2009, approximately 314% to \$11,433,893.
- Quarterly increase from August 31, 2010 to November 30, 2010, approximately 37.3% to \$15,693,376.

#### Total Liabilities

- Annual increase over August 31, 2009, approximately 38% to \$3,115,185.
- Quarterly increase from August 31, 2010 to November 30, 2010, approximately 6.6% to \$3,320,829.

#### Total Equity

- Annual increase over August 31, 2009, approximately 596% to \$8,318,708.
- Quarterly increase from August 31, 2010 to November 30, 2010, approximately 48.6% to \$12,372,547.

### **Consolidated Statements of Operations:**

#### Oil & Gas Sales

- Annual increase over August 31, 2009, approximately 306% to \$649,250.
- Quarterly increase over quarter ending November 30, 2009, approximately 1,132.4% to \$277,119.

#### Net Loss

- Quarterly net loss attributable to Aztec as of quarter ending November 30, 2010 was \$632,668, which is a total increase of approximately 2.1%, or a total increase of \$13,196 over the same quarter ending November 30, 2009.

“Aztec is happy to announce the information in this press release which is, by necessity, abbreviated. We, respectfully, suggest that everyone should additionally review the actual, entire financial statements which are posted through links on our website with the OTC Market and SEC. We are very pleased with the progress Aztec is making and we estimate that 2011 will be another very good year for the firm,” stated Waylan Johnson, President, Aztec Oil & Gas Inc.

#### **About Aztec Oil & Gas, Inc.**

Aztec is an experienced oil and gas exploration, development and production company focusing on Texas plus other areas of the U.S. Its interests are highly diversified; however, when it offers drilling/production partnerships, Aztec focuses primarily on shallow, Texas, low risk, development wells. When offered, those programs/partnerships are placed by FINRA registered Broker Dealers and Registered Investment Advisors with accredited investor partners and are focused primarily on oil, with natural gas normally a secondary target.

Aztec entered the sponsored drilling program industry in 2006. Over the next two and one half years, it intentionally restricted itself to only three small, very limited Appalachian drilling partnerships in order to become fully familiar with the nuances of the sponsored drilling program industry before expanding to the Company's full capabilities. In the summer of 2008, Aztec publicly announced it was discontinuing any natural gas drilling in Appalachia, and was ready to substantially expand its sponsored drilling program activities for oil and gas, primarily in Texas.

Since 2008, Aztec has focused most of its drilling partnerships on oil wells in Texas. In addition to its initial three small Appalachian drilling partnerships mentioned above, Aztec has, intermittently, sponsored and closed eight other drilling/production partnerships (all of the latter focused on drilling in Texas). Aztec Energy LLC, a wholly-owned subsidiary of Aztec, is the Managing General Partner of all Aztec drilling partnerships and another wholly-owned Aztec subsidiary, Aztec Drilling & Operating, LLC, is the turnkey drilling contractor and operator for such partnerships. Through its own participation and contributions, Aztec owns a 30% interest in all of its drilling/production partnerships. In general clarification of its activities, in addition to its own direct corporate participations in industry partner wells, Aztec sometimes sponsors low risk, development drilling/production programs which include significant tax benefits, all of which are sold only through FINRA Registered Broker Dealers and Registered Investment Advisors to Accredited Investors. Aztec's sponsored drilling/production programs, when offered, focus primarily on shallow oil/gas drilling, are considered unique, and also incorporate a sophisticated exit strategy for investors.

Please feel free to visit Aztec on the web at [www.AztecOG.com](http://www.AztecOG.com). An option is provided on the website to join the Aztec (corporate) mailing list and receive up to date information on general Aztec activities, including all Aztec press releases.

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#### **Contact:**

Phoenix IR Associates

Investor Relations

Tony Drake

(281) 579-1602

[Shareholders@AztecOG.com](mailto:Shareholders@AztecOG.com)