



Aztec Announces Its First Austin Chalk Well in Medina County

HOUSTON, May 24, 2010 -- Aztec Oil & Gas, Inc. (Pink Sheets: AZGS) announced it is presently coring its first Austin Chalk well in Medina County, Texas. Aztec previously announced successfully drilling 18 Olmos wells in the same county. Ten of those eighteen wells are currently on line producing oil with production being sold monthly. Aztec expects to frac the final seven wells and have the entire first field lease in full production within the next three weeks.

"We are just completing the drilling of our first Austin Chalk well in Medina County, and while the Austin Chalk is only 500' deeper than the Olmos, it gives us much higher potential. This Texas County is only one of the counties in which we are presently drilling; however, it provides Aztec with another very stable and predictable area in which to operate. Having so much historical data allows Aztec to control cost and more accurately estimate the end result," stated Waylan Johnson, President of Aztec Oil & Gas, Inc.

Aztec previously announced a drilling agreement with one of the largest, well-established local operators in Medina County, Texas Secondary Oil Company (TSOC). Mr. Johnson states, "In addition to that agreement, we have just recently signed a Global Agreement with TSOC to drill and participate in all TSOC leases in the area, which not only gives Aztec access to hundreds of development drilling locations for years to come, but also further enhances Aztec's ability to control cost with mass. This type approach is in keeping with Aztec's long-standing business model for its drilling program partnerships."

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 as exemplified by its direct corporate participation in two productive Deep Lake wells in Cameron Parish, Louisiana ranging from 13,600 feet to 14,300 feet in depth; versus its shallow, Texas, low risk, development wells for its drilling/production partnerships. Those programs/partnerships are placed by FINRA registered Broker Dealers and Registered Investment Advisors with accredited investor partners and are directed primarily at oil.

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 on oil wells in Texas. In addition to its initial three small Appalachian drilling partnerships mentioned above, Aztec has sponsored and closed four other drilling/production partnerships, plus is presently closing its eighth partnership (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 contributions, Aztec owns a 30% interest in all of its drilling/production partnerships. In general clarification of its activities, in addition to direct corporate participations, Aztec sponsors low risk, development drilling/production programs which include significant tax benefits, all of which are sold through FINRA Registered Broker Dealers and Registered Investment Advisors to Accredited Investors. Aztec's sponsored drilling/production programs focus primarily on shallow oil/gas drilling, are very unique, and also incorporate a sophisticated Exit Strategy for investors.

For more information on Aztec Oil & Gas, Inc. please visit <http://www.AztecOG.com>.

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