



Aztec Announces Third Well in San Patricio County, TX

HOUSTON, TX August 15, 2011 -- Aztec Oil & Gas, Inc. (Pink Sheets: AZGS – News) announced its third well in San Patricio County, Texas. Aztec has teamed with Dallas operator, Sydri Oil & Gas, in recently drilling two other successful wells in San Patricio County, Texas.

By sticking to their developmental drilling program and utilizing local successful operators, Aztec has drilled those two new wells (Welder A-36 and A-37) in the South Texas area, both having multiple pay zones and approximately 85 BOPD equivalent production. It now has commenced drilling of the Welder A-38 in the same area.

“We will drill this third well and continue to pursue prospects in the area,” stated Waylan Johnson, President, Aztec Oil & Gas, Inc. He further stated, “Our target is to drill shallow, relatively inexpensive vertical wells which can yield multiple pay zones with potential for 20 to 30 years of production. That allows Aztec and its partnerships to produce the wells for 6 to 7 years, and have the option to potentially sell substantial remaining reserves; which opportunity goes hand in hand with our exit strategy for our partners.”

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 between exploration drilling and development drilling; however, when it offers drilling/production partnerships, Aztec focuses primarily on shallow, Texas, low risk, development wells. When offered, those programs/partnerships are placed, with accredited investor partners, only through FINRA registered Broker Dealers and Registered Investment Advisors, 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 study and 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, primarily for oil in Texas.

Since 2008, Aztec has, indeed, focused almost all of its drilling partnerships on oil wells in Texas. In addition to its early, initial three small Appalachian natural gas drilling partnerships mentioned above, Aztec has, intermittently, sponsored and closed a very significant number of other drilling/production partnerships (all of the latter focused on drilling for oil 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 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 lower risk, development drilling/production programs which include significant tax benefits, all of which are offered 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. 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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