



Spicewood Energy Management, LLC Announces Formation of Affiliate Operating Company

FOR IMMEDIATE RELEASE

SEM formally announces the formation and incorporation of an affiliate operating company, Spicewood Operating Co., LLC.

October 24, 2013 (Spicewood, Texas USA)- Spicewood Energy Management, LLC (SEM) would like to formally announce that its General Partner, Waylan Johnson, has formed a new affiliate operating company, Spicewood Operating Co., LLC (SOC). SOC is a Texas Limited Liability Company that is registered with the Texas Railroad Commission as a P5 Operator (TRCC Operator # 809730).

SEM, which was formed to manage oil and gas investments through multiple limited partnerships, will utilize SOC for the portion of its LP capital that is invested into oil and gas drilling projects. As stated in an earlier press release, SOC has already acquired a data set of 3D seismic which they will identify drilling prospects from and operate on behalf of SEM and Spicewood Energy Fund I, LP.

"I have been involved in the operating side of the oil and gas industry for over 15 years and have come to believe that aligning an operating company with your exploration and production company gives you a very balanced operation, a strong focus in the field, and an ability to control a big part of your destiny. With SOC now in place, we have created a solid foundation across the board for our partners," stated Waylan Johnson, President of SEM.

SOC was formed as a sole proprietorship and is owned solely by Mr. Johnson. It carries all industry standard insurance policies and is bonded. SOC, as an operator, will be subject to third party joint operating and will engage in third party reserve reports for all operated interests.

For further information regarding topics discussed in this article, please contact Spicewood Energy Management, LLC via their Investor Relations Department: (512) 610-0552 or visit www.SpicewoodEnergy.com where you can join the SEM (corporate) Mailing List and receive up to date information on SEM activities, including all SEM Press Releases.

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About SEM

Spicewood Energy Management, LLC (SEM) is a Texas based oil and gas company that has offices located in Spicewood, Texas and Port Aransas, Texas. SEM will manage oil and gas investments through multiple limited partnerships, which will be formed in the state of Texas and filed pursuant to Blue-Sky filings. SEM announced the formation of its first partnership, the Spicewood Energy Fund I, LP (SEF1) in February 2012.

SEF1 provides investors the opportunity to largely diversify their portfolio by investing in a Limited Partnership which will engage in all aspects of oil and gas exploration, development and production. SEFI is structured so that within a single investment, an investor will have the ability to acquire working interest in drilling projects, producing mineral interest and proprietary seismic data as well as develop leasehold acreage, pipelines, gas gathering processing systems, and commercial salt water disposal, all at a ground floor entry point.

Duff & Phelps, a leading global financial advisory and investment banking firm, has completed an independent due diligence report on SEM and SEMF1. This comprehensive research report is available to RIA and family office due diligence analysts.

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