



Spicewood Operating Company, LLC (SOC) Awards Drilling Contract to Red River Drilling

FOR IMMEDIATE RELEASE

SOC, an affiliate of Spicewood Energy Management LLC, announces execution of a drilling contract with Red River Drilling for an oil and gas well that will be drilled in Upshur County, Texas.

February 25, 2014 (Spicewood, Texas USA)- Spicewood Energy Management, LLC (SEM) announced the formation of its affiliate operating company, Spicewood Operating Company (SOC), in October of 2013. SOC was formed for the purpose of allowing SEM to keep a close watch on the drilling operations of some of the oil and gas wells placed into its Limited Partnerships.

"SOC has filed a drilling permit in Upshur County, Texas for the South Gilmer #2 well which will be drilled to a vertical depth of 11,000' +/- . This well will encounter numerous formations known to be prolific in the East Texas area," stated Waylan Johnson, President of SEM and Founder of SOC. He further stated, "We are pleased to announce that we have contracted Red River Drilling for the drilling of this well."

When feasible, SOC will operate prospects generated by SEM. However, there will also be times that keeping operations in-house are not necessary for SEM, in which case our LPs will participate in drilling ventures via non-operated working 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.

Emails may be directed to Info@SpicewoodEnergy.com

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. SEF1 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.

Disclaimer: This release/announcement/document is neither an advertisement, an offer to sell, nor a solicitation of an offer to buy securities. Units or participations of SEM or Spicewood Energy Fund 1, LP (SEM). This release/document contains certain statements, estimates, and forecasts with respect to future performance and events. All statements other than statements of historical fact included in this release/announcement/document, a Memorandum, or the SEM website, including, but not limited to, statements regarding future performance of events, are forward-looking statements. All such forward-looking statements are based on various underlying assumptions and expectations and are subject to risks and uncertainties which could cause actual events to differ materially from those expressed in the forward-looking statements. As a result, there can be no assurance that the forward-looking statements included in this release/document, a Memorandum, or the SEM Website will prove to be accurate or correct. In light of these risks, uncertainties and assumptions, the future performance or events described in the forward-looking statements in this release/document, a Memorandum, or the SEM Website might not occur. Accordingly, investors should not rely upon forward-looking statements or historical performance as a prediction or

indicator of actual or future results. Also, Spicewood Energy Fund 1, LP, its officers, principals, employees, agents, subsidiaries, affiliates and consultants, and the other parties, investors, and partners involved in any properties, programs and SEM activities have conflicts of interests. The price received for the oil and natural gas produced from any investments, activities, properties may be less than quoted NYMEX prices at any given times. SEM does not undertake any obligation to update any forward-looking statements, facts or other information, whether as a result of new information, future events, subsequent circumstances or otherwise. Information herein is not intended to be any form of solicitation. Information found on this page is neither an offer to buy or sell securities or other investments.