

# Texas South Energy Announces Commencement of Activity at the Wilinda Project

HOUSTON, TX, Aug. 13, 2018 (GLOBE NEWSWIRE) -- **Texas South Energy, Inc.** (OTC PINK: **TXSO**) ("Texas South" or the "Company") announced today that it has completed construction of the drill-site location for the TXSO Richter Unit 1H well at its Wilinda Project in Wilson County, Texas and anticipates arrival of the drilling rig around August 20, 2018. The Richter Unit well is a 5,000'+/- vertical depth horizontal Austin Chalk test well with a 4,700'+/- horizontal lateral where, together with its working interest partners, it has acquired almost 4,000 acres of leasehold to date. The Project is designed to target Austin Chalk, Eagle Ford, and Buda formations at a vertical depth of approximately 5,000' with horizontal drilling techniques and "New Generation" high intensity frac completions in a geological setting similar to other recent activity in the trend stretching from the Pearsall field in Frio County to the Giddings field near Luling, Texas.

Other operators have used these techniques since 2015 to generate Eagle Ford equivalent or better Estimated Ultimate Recoveries (EURs) of oil from wells in nearby fields by drilling horizontal laterals in certain sections of the Austin Chalk that appear to have improved porosity and permeability and then applying "New Generation" frac techniques. Texas South's strategy is to continue to acquire additional acreage in the play while drilling the initial wells. Offset operators are applying well spacing of between 40 and 80 acres per well with 4,500'+/- laterals with an average initial producing rate for the first 30 days (IP-30) often exceeding 1,000 Barrels of oil per day (BOPD), according to available industry information. The current cost estimate to drill, complete and frac these wells is approximately \$4.6 million each. With the current leasehold position and 80 acre per well spacing, the Company could drill up to 46 wells and as many as 90 wells if the 40 acre per well spacing is used. Texas South, which acquired the rights to the project in 2017, is the Operator and will hold a 25% working interest in the Wilinda Project.

The Company plans to spud the initial well during August 2018 with the completion and frac to follow the drilling operations in approximately 30 days. Subsequent drilling activity is dependent upon the results of the initial well.

Michael Mayell, President and CEO of Texas South, commented "We are excited to begin the drilling phase of onshore activity for Texas South. The commencement of this drilling activity represents an important step in the development of reserves, production, and revenues for the Company. We are also exploring other large-scale onshore projects which could, if successful, result in further growth of the Company's assets."

## **About Texas South Energy**

*Texas South is engaged in the oil and gas exploration and production business. We generate, acquire and prefer to operate large-scale onshore and offshore oil and gas projects, retaining as much interest as possible in the production and reserves. To learn more, visit the Texas South website at [www.texasouth.com](http://www.texasouth.com).*

## Investor Contacts

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