



**BAYOU CITY**  
EXPLORATION, INC.

FACT SHEET Q4. 2007



Applying Advanced Technology to Find  
and Develop Oil and Gas Where  
Others Have Found It First

**BAYOU CITY EXPLORATION**

**OTC BB: BYCX.OB**

**Applying Advanced Technology to Find and Develop Oil and Gas Where Others Have Found It First**

Bayou City Exploration, Inc. is engaged in the upstream activities of acquiring, exploring, developing and producing oil and gas. Based in Houston, Texas, "The Bayou City," our primary focus is proven geologic trends located in onshore Texas and Louisiana. This geographic area has a 75-year track record of significant discoveries that have led to substantial reserve additions.

The Bayou team integrates industry leading 3D seismic image processing and geophysical data processing technologies with expertise proven in more than 30 years of hydrocarbon exploration.

The Company leverages this combination of skill and systematic analysis to accelerate high quality prospect generation based on an extraordinarily thorough understanding of the subsurface that increases the probability of drilling successful wells in known producing fields.

Bayou can now significantly reduce prospect generation times as well as risk. The Company can now accomplish in weeks and months what used to take years while simultaneously minimizing the exploration risk of locating economic oil and gas reserves.





## EXTENSIVE POTENTIAL DEVELOPMENT RESERVES AND A RAPIDLY EXPANDING PROJECT PIPELINE

Bayou City has acquired large and expanding exploration acreage in our focus area -- proven trends in onshore Texas. This region has a history of having a high proportion of the productive fields in the U.S. and continuing success in adding reserves with new technology. The Company also has a large and continually growing database of approximately 7,500 square miles of 3-D data, principally in our focus area, as well as 20,000 miles of 2-D data.

### How Seismic Data Helps Reduce Risk

Skilled interpreters of 3-D and 2-D seismic data can provide the clearest possible images of a prospect – and identify its potential for drilling success. The data dramatically improves resolution of the subsurface. This, in turn, enables a more accurate pre-drill evaluation of potential reserve size and reduces risk of a dry or unprofitable well. The end result is that fewer dry holes are drilled, allowing Bayou City to conduct more cost-efficient drill programs with greater potential for success.



## EXTENSIVE ACREAGE AND QUALITY SEISMIC DATA IN FOCUS AREA

Prospects in Texas  
Texas

### CURRENT BAYOU CITY EXPLORATION PROJECTS

#### Aransas County, Texas MacAllen West Prospect

- Potential Project Reserves 19.2 BCF
- Estimated Gross Value: \$144 million

#### Willacy and Kenedy Counties, South Texas North Cabazos

- Potential Project Reserves 12.9 BCF
- Estimated Gross Value: \$96 million

#### East Cabazos

- Potential Project Reserves 9.7 BCF
- Estimated Gross Value: \$72 million

#### West Cabazos

- Potential Project Reserves 12.7 BCF
- Estimated Gross Value: \$95 million

#### New Exploration Areas

Bayou City is also using advancing image processing technology to evaluate 3D seismic data in new areas considered to have significant potential for economic hydrocarbon reserves.

*\*MBO: thousand barrels of oil; \*MMBO: million barrels of oil; \*BCF: billion cubic feet*



