

CONTANGO OIL & GAS

The eEnergy Company

NEWS RELEASE

Contango Oil & Gas Company Reports Drilling Results at Brazos 436 and an Increase in Cash Flow Levels

SEPTEMBER 13, 2000 – HOUSTON, TEXAS – Contango Oil & Gas Company (OTCBB:BTUX) reported today that the Brazos Block 436 #8 sidetrack well, located in the shallow waters of the Gulf of Mexico, has been completed and was put on production on September 12, 2000. The well currently is flowing at a rate of 3.0 million cubic feet of natural gas per day. Contango has a 14.7% non-operated working interest and a 12.0% net revenue interest in this well.

Kenneth R. Peak, Chairman and Chief Executive Officer, stated, “With this completion, we now are producing approximately 6.0 million cubic feet of natural gas and 290 barrels of oil per day net to Contango. At today’s natural gas and oil prices, this equates to approximately \$1.0 million per month in net cash flow to the Company.”

Contango is a Houston-based, development stage, independent oil and natural gas company. The company explores and acquires oil and gas properties primarily in the onshore Gulf Coast and offshore Gulf of Mexico. Additional information can be found on our web page at www.contango-oandg.com.

This news release contains forward-looking statements within the meaning of the Securities Litigation Reform Act. The statements reflect the company’s current views with respect to future events that involve risks and uncertainties including uncertainties related to successful negotiations with other parties, oil and gas exploration risks, price volatility, production levels, closing of transactions, capital availability, operational and other risks, uncertainties and factors described from time to time in the company’s publicly available SEC reports. In light of these risks and uncertainties, the forward-looking events described in this release might not occur.

Contango Oil & Gas
The eEnergy Company
3700 Buffalo Speedway, Suite 960
Houston, Texas 77098
www.contango-oandg.com

For information, contact:
Kenneth R. Peak
(713) 960-1901