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For Immediate Release

Calgary, Alberta

July 25, 2011

**SUROCO ENERGY INC. ANNOUNCES COMMENCEMENT OF EXPLORATION DRILLING
IN THE SAN ANTONIO BLOCK IN LLANOS BASIN**

Suroco Energy Inc. (TSX Venture Exchange: SRN) (“**Suroco**” or the “**Corporation**”) is pleased to announce that the Poyato-1 exploration well in the San Antonio Block in Colombia has commenced drilling. The well spudded on July 21, 2011 and is expected to take approximately 25 days to reach planned total depth of approximately 8,720 feet. The Poyato-1 exploration well is the first well to be drilled in the San Antonio Block and is located on a structural closure defined on recently acquired 3D seismic. The well has multiple reservoir targets including the Carbonera, Guadalupe, and Une Formations.

As previously announced by the Corporation, the Corporation has exercised its option to acquire a 28% working interest in the San Antonio Block in Colombia. The completion of the acquisition is pending approval from the Agencia Nacional de Hidrocarburos of Colombia, which the Corporation expects to receive in August, 2011. In 2008, the San Antonio block was adjudicated to the operator Thorneloe Energy Colombia within a public bidding, “Mini-Round 2008” led by the Agencia Nacional de Hidrocarburos (the National Hydrocarbons Agency).

The Corporation is a Calgary-based junior oil and gas company, which explores for, develops, produces and sells crude oil, natural gas liquids and natural gas in Colombia and Western Canada. The Corporation’s common shares trade on the TSX Venture Exchange under the symbol SRN.

Forward Looking Statements

This press release contains forward-looking statements relating to the operational and exploration activities for Suroco, the evaluation of certain prospects in which the Corporation holds an interest, the approval by the Agencia Nacional de Hidrocarburos of Colombia of the acquisition by the Corporation of a 28% working interest in the San Antonio Block in Colombia, and other statements that are not historical facts. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, estimates, forecasts, projections and other forward-looking statements will not occur, which may cause actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These assumptions, risks and uncertainties include, among other things, the state of the economy in general and capital markets in particular; fluctuations in oil prices; the results of exploration and development drilling, recompletions and related activities; changes in environmental and other regulations; risks associated with oil and gas operations and future exploration activities; the need to obtain required approvals from regulatory authorities; and other factors, many of which are beyond the control of the Corporation. You can

find an additional discussion of those assumptions, risks and uncertainties in Suroco's Canadian securities filings.

The forward-looking statements contained in this press release are made as of the date of this press release. Except as required by law, Suroco disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, Suroco undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

For further information please contact Alastair Hill, President and Chief Executive Officer of the Corporation or Travis Doupe, VP Finance and Chief Financial Officer of the Corporation, or visit our website at www.suroco.com:

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