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*For Immediate Release*

**Calgary, Alberta**

**Aug 12, 2011**

**SUROCO ENERGY INC. ANNOUNCES COMMENCEMENT OF DRILLING OF PINUNA-6 WELL AND PROVIDES STATUS OF PINUNA-4 WELL OPERATIONS**

Suroco Energy Inc. (TSX Venture Exchange: SRN) (“**Suroco**” or the “**Corporation**”) is pleased to announce that the Pinuna-6 well has commenced drilling in the Suroriente Block in Colombia.

**Pinuna-6 Well**

The Pinuna-6 well will target the Villeta U and T reservoirs in an undrilled area located between the Pinuna-1 and Quillacinga-1 oil wells. It is expected that the well will reach the target in approximately 25 days and, if successful, will take approximately 20 days to complete and tie-in to existing production facilities.

**Status of Pinuna-4 Well Operations**

The Pinuna-4 well that preceded the Pinuna-6 well encountered drilling difficulties which resulted in delays in running the casing after the well reached total depth. Well logs run in the Pinuna-4 well indicate the presence of approximately 21 feet of oil pay in the primary target Villeta Middle U sand and minor indications of hydrocarbons in the secondary Villeta T and Caballos sands. Testing operations commenced in the Villeta T and Caballos sands, which subsequently produced significant amounts water with non-commercial amounts of oil. Testing operations in the U sand have been inconclusive and the well did not flow under natural conditions although the reservoir quality from the well logs appears to be similar to other wells that are on production from the same zone. Well operations are continuing in order to establish production from the Villeta U zone, as the test results so far may have been compromised by problems related to the complexity of the completion equipment and the multi-zone test procedures.

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 and timing of such activities, the evaluation of certain prospects

in which the Corporation holds an interest 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 timing and results of exploration and development drilling, recompletions, tie-ins and related activities; the uncertainty of resources estimates; changes in environmental and other regulations; risks associated with oil and gas operations and future exploration activities; 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](http://www.suroco.com):

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