



## Approach Resources Inc. Acquires Additional Interests in the Permian Basin

November 1, 2010

FORT WORTH, Texas, Nov 01, 2010 (BUSINESS WIRE) --

Approach Resources Inc. (NASDAQ: AREX) today announced that it has acquired an additional 10% working interest in its Cinco Terry field in the Permian Basin from a non-operating partner. The purchase price was \$21.5 million with an effective date of October 1, 2010.

### Acquisition Highlights

Highlights of the acquisition include:

- 1.9 MMBoe estimated proved reserves (60% oil and NGLs and 61% proved developed)
- 1.2 MMBoe estimated unproved reserves
- 470 Boe/d current production
- 5,033 net acres

As a result of the acquisition, the Company raised production guidance to 9,100 MMcfe - 9,600 MMcfe from 8,900 MMcfe - 9,400 MMcfe. The Company's total acreage position in the Permian Basin now covers approximately 98,000 net acres prospective for one or more of the deeper, original targets, Canyon Sands, Strawn and Ellenburger zones, as well as for the shallower Wolfcamp Shale and Clearfork ("Wolffork Shale") zones. Estimates of proved and unproved reserves acquired in the acquisition exclude any reserve potential for the Company's Wolffork Shale oil resource play.

### Management Comment

J. Ross Craft, the Company's President and Chief Executive Officer, said, "Through extensive geoscientific, petrophysical and engineering studies we have identified significant potential oil and gas in place in our Permian acreage attributable to the Wolffork formations. We believe that acquiring the additional interests in Cinco Terry increases our opportunities in this field, gives us more leverage to the reserve potential of the Wolffork Shale oil resource play and enhances our ability to deliver long-term stockholder value."

The Company will fund the acquisition using its existing revolving credit facility. The Company's borrowing base under the credit facility is \$150 million, with \$51.1 million drawn at September 30, 2010.

### Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future are forward-looking statements. Without limiting the generality of the foregoing, forward-looking statements contained in this press release specifically include the expectations of management regarding estimated reserves attributable to the acquisition and oil and gas in place associated with the Company's Wolffork Shale resource play and 2010 production guidance. These statements are based on certain assumptions made by the Company based on management's experience and technical analyses, current conditions, anticipated future developments and other factors believed to be appropriate and reasonable by management. When used in this press release, the words "will," "potential," "believe," "estimate," "intend," "expect," "may," "should," "anticipate," "could," "plan," "predict," "project," "profile," "model," or their negatives, other similar expressions or the statements that include those words, are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. Further information on such assumptions, risks and uncertainties is available in the Company's Securities and Exchange Commission ("SEC") filings. The Company's SEC filings are available on the Company's website at [www.approachresources.com](http://www.approachresources.com). Any forward-looking statement speaks only as of the date on which such statement is made and the Company undertakes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

### Cautionary Statements Regarding Oil and Gas Quantities

The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves that meet the SEC's definitions for such terms, and price and cost sensitivities for such reserves, and prohibits disclosure of resources that do not constitute such reserves. The Company uses the terms "unproved reserves" and "oil and gas in place" and other descriptions of volumes of reserves potentially recoverable through additional drilling or recovery techniques that the SEC's rules may prohibit the Company from including in filings with the SEC. Estimates of unproved reserves are by their nature more speculative than estimates of proved reserves, and estimates of oil and gas in place are by their nature more speculative than estimates of proved and unproved reserves, and accordingly both categories of estimates are subject to substantially greater risk of being actually realized by the Company.

### Glossary of Oil and Gas Terms

For a glossary of oil and gas terms and abbreviations used in this release, please see our Annual Report on Form 10-K filed with the SEC on March 12, 2010.

### About Approach Resources Inc.

Approach Resources Inc. is an independent energy company engaged in the exploration, development, production and acquisition of oil and gas

properties in the United States. The Company's core operations, production and reserve base are located in the Permian Basin in West Texas. The Company targets multiple oil and liquids-rich formations in the Permian Basin, where the Company operates approximately 98,000 net acres. At June 30, 2010, the Company's estimated proved reserves were 46.4 MMBoe, 50% oil and NGLs and 50% natural gas. For more information about the Company, please visit [www.approachresources.com](http://www.approachresources.com). Please note that the Company routinely posts important information about the Company under the Investor Relations section of its website.

SOURCE: Approach Resources Inc.

Approach Resources Inc.

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Investor Relations and Corporate Communications