



FOR IMMEDIATE RELEASE

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**MILAGRO OIL & GAS, INC. RELEASES FIRST QUARTER 2011 CASH FLOW
SUMMARY AND COMMODITY HEDGING SUMMARY**

Houston, TX – In conjunction with the release of its first quarter 2011 earnings, Milagro Oil & Gas, Inc. announced today the release of its first quarter 2011 cash flow summary and commodity hedging summary through May 31, 2011. Both reports may be viewed on the Investor Relations portion of the Company's website at www.milagroexploration.com.

For further inquiries, please contact Vice President – Finance & Treasurer, Robert D. LaRocque, at rlarocque@milagroexploration.com.

ABOUT MILAGRO

Milagro is an independent oil and gas company primarily engaged in the acquisition, exploitation, development and production of oil and natural gas reserves. Milagro was formed in 2005 with a focus on properties located onshore in the U.S. Gulf Coast. In November 2007, Milagro acquired the Gulf Coast Division of Petrohawk Energy Corporation which included properties primarily in the onshore Gulf Coast region in Texas, Louisiana and Mississippi. Since that acquisition, Milagro has acquired additional proved producing reserves that it believes have upside potential, implemented an active drilling, workover and recompletion program and expanded its geographic diversity by moving into the Midcontinent region.

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