

BAYOU BEND Provides Operational Update and Signs Agreement for Smoother Prospect in South Timbalier Block 49

VANCOUVER, BRITISH COLUMBIA-(Marketwire - Aug. 25, 2008) - Bayou Bend Petroleum Ltd. (TSX VENTURE:BBP) ("Bayou Bend" or "the Company") is providing an update on its drilling results of the Eugene Island 164 Prospect and on signing of an agreement to participate in the Smoother Prospect in South Timbalier Block 49.

The EI 164 Prospect which is operated by PetroQuest Energy, LLC was drilled to a total depth of 15,689' MD/15,538' TVD utilizing the Blake Rig #303 and has been fully evaluated. The Company holds a 10% working interest position in this well that was drilled in the Federal Waters off of the Louisiana coast. The well discovered a non-commercial gas accumulation in the upper objective the Tex X lower sand. The main objective Big A-4 sand came in as expected in terms of depth and thickness but log analysis indicates the sand is wet. PetroQuest is currently performing plug and abandonment operations on the wellbore.

Bayou Bend is pleased to announce it has entered into a Participation Agreement with Mariner Energy, Inc. and Apache Corporation to jointly drill and develop the Smoother Prospect located in the South Timbalier Area, Block 49, in the Federal Waters off of the Louisiana coast. The Company will hold a 33.33% working interest position in the Test Well. The rig is currently under tow to location and is expected to spud by the end of the month. Mariner Energy, Inc. will operate the Test Well to be drilled to a depth of 18,200'.

Bayou Bend President and CEO Clint Coldren stated, "While we are disappointed by the result of the EI 164 Prospect this is just one in our 2008 well program where to date we have had a 50% success rate. Currently we are completing in the Mt. Moran North discovery where the Company expects to have a well test completed next week. Our Eagle's Nest well which has been on production since July 24th is currently producing at a rate of 41.4 MMCFPD and 775 BOCPD. We are also excited about our participation agreement on ST 49. We believe this prospect is a very good compliment to our Marsh Island core drilling program and we are extremely pleased to be participating with this group of companies in this area. We continue to be optimistic with our overall 2008 drilling program."

Cautionary Statements

This document contains statements about expected or anticipated future events and financial results that are forward-looking in nature and as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, the regulatory process and actions, technical issues, new legislation, competitive and general economic factors and conditions, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events, and the Company's capability to execute and implement its future plans. Actual results may differ materially from those projected by management. For such statements, we claim the safe harbor for forward-looking statements within the meaning of the Private Securities Legislation Reform Act of 1995.

On Behalf of the Board

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