

**ZAPATA ENERGY CORPORATION
NEWS RELEASE**

ZAPATA COMPLETES EQUITY OFFERING

CALGARY, Alberta – December 23, 2009. Zapata Energy Corporation (TSXV: ZCO) ("**Zapata**") is pleased to announce that it has completed a portion of the previously-announced equity offerings, under which it has issued 417,466 units of Zapata ("**Units**") at a price of \$3.00 per Unit, with each Unit consisting of one common share and one-half of a common share purchase warrant (with each whole warrant exercisable into one common share at a price of \$4.00 per share until December 23, 2010), and 757,000 common shares of Zapata issued on a "flow-through" basis ("**Flow-Through Shares**") pursuant to the *Income Tax Act* (Canada) (the "**Tax Act**") at a price of \$3.40 per Flow-Through Share, for aggregate gross proceeds of \$3,826,198 (the "**Offering**"). Emerging Equities Inc. acted as agent in connection with the Offering. Zapata had previously announced that up to 2,000,000 Units may be sold pursuant to the Offering, and Zapata anticipates that the sale of a second tranche of Units will close in early January 2010.

The common shares and warrants comprising the Units and the Flow-Through Shares issued under the Offering will be subject to a hold period expiring on April 24, 2010. Zapata intends to use the gross proceeds from the sale of the Units to fund certain capital and general corporate expenditures, and the gross proceeds from the sale of the Flow-Through Shares will be used to incur "Canadian exploration expenses" under the Tax Act on or before December 31, 2010 in an amount equal to the aggregate subscription proceeds of the Flow-Through Shares, with all such amounts to be renounced by Zapata to subscribers effective for the 2009 tax year.

Forward-Looking Statements and Information

*This press release may include forward-looking statements and forward-looking information ("**forward-looking information**") within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "intend", "may", "will", "project", "should", "objective", "continuous", "estimate" or similar words suggesting future outcomes. In particular, but without limitation, this press release includes forward-looking information relating the intended use of proceeds and potential further issuances of Units. Zapata believes that the expectations reflected in such forward-looking information are reasonable but no assurances can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon.*

Forward-looking information is based on various assumptions. Those assumptions are based on information currently available to Zapata, including information obtained from third party sources, and include the historic performance of Zapata's business, current business and economic trends, trading data and cost estimates. You are cautioned that the preceding list of assumptions is not exclusive.

Since forward looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The Offering is subject to final acceptance by the TSX Venture Exchange, and accordingly, there is a risk that the offering may not be completed as described herein or that additional offerings of Units may not occur. The intended use of the net proceeds from the sale of the Units by Zapata might change if the board of directors of Zapata determines that it would be in the best interests of Zapata to deploy the proceeds for some other purpose. Further risks and uncertainties relating to the business and operations of Zapata include but are not limited to the risks identified in Zapata's Annual Information Form for the year ended December 31, 2008 under the heading "Risk Factors".

The forward looking statements contained in this press release are made as of the date hereof and Zapata undertakes no obligations to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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