



IPAA Private Equity

Carrizo Oil & Gas, Inc.

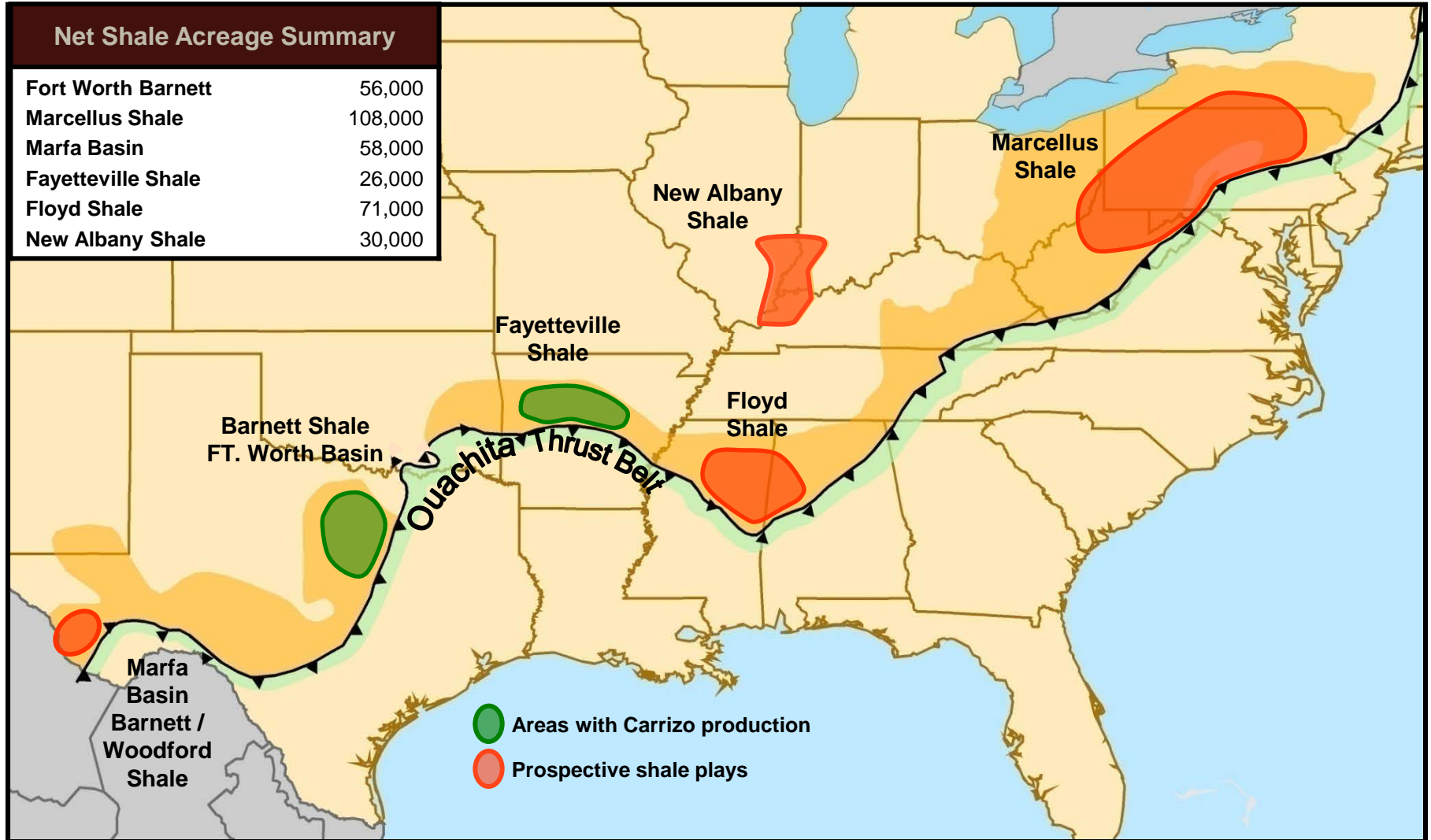
February 25, 2010


Forward Looking Statements / Note Regarding Reserves





The statements contained in all parts of this presentation, including, but not limited to, those relating to our schedule, targets, estimates or results of future drilling, including the number, timing and results of wells, budgeted wells, increases in wells, the timing and risk involved in drilling follow-up wells, expected working or net revenue interests, planned expenditures, prospects budgeted and other future capital expenditures, risk profile of oil and natural gas exploration, acquisition of 3-D seismic data (including number, timing and size of projects), planned evaluation of prospects, probability of prospects having oil and natural gas, expected production or reserves, increases in reserves, acreage, working capital requirements, hedging activities, the ability of expected sources of liquidity to implement the Company's business strategy, anticipated size of and proceeds from this offering, future exploration activity, production rates, 2009 drilling program, growth in production, development of new drilling programs, hedging of production and exploration and development expenditures and all and any other statements regarding future operations, financial results, business plans and cash needs and other statements that are not historical facts are forward looking statements. When used in this presentation, the words "anticipate," "estimate," "expect," "may," "project," "believe" and similar expressions are intended to be among the statements that identify forward looking statements. Such statements involve risks and uncertainties, including, but not limited to, those relating to the Company's dependence on its exploratory drilling activities, the volatility of oil and natural gas prices, the need to replace reserves depleted by production, operating risks of oil and natural gas operations, the Company's dependence on its key personnel, factors that affect the Company's ability to manage its growth and achieve its business strategy, technological changes, significant capital requirements of the Company, the potential impact of government regulations, litigation, competition, the uncertainty of reserve information and future net revenue estimates, property acquisition risks, availability of equipment, weather, availability of financing, the results of audits, adverse market conditions and assessments and other factors detailed in the "Risk Factors" and other sections of the Company's Registration Statement on Form S-3, Prospectus Supplement and Annual Report on Form 10-KA for the year ended December 31, 2008 and other filings with the Securities and Exchange Commission ("SEC"). Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by reference to these risks and uncertainties. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement and the Company undertakes no obligation to update or revise any forward-looking statement. We use certain terms in this presentation such as "Potential", "Potential Reserves", "Potential Exposure", "Estimated Resource", "Unrisked Exploration Potential", "Unrisked Reserve Potential", "Probable", "2P" and "3P" that the SEC's guidelines strictly prohibit us from including in filings with the SEC. These terms include reserves with substantially less certainty, and no discount or other adjustment is included in the presentation of such reserve numbers. U.S. investors are urged to consider closely the disclosure in our Form 10-K for the year ended December 31, 2008, File No. 000-29187-87, and in our other filings with the SEC, available from us at 1000 Louisiana, Suite 1500, Houston, Texas, 77002 and in our registration statement. These forms can also be obtained from the SEC by calling 1-800-SEC-0330.

Operating Profile

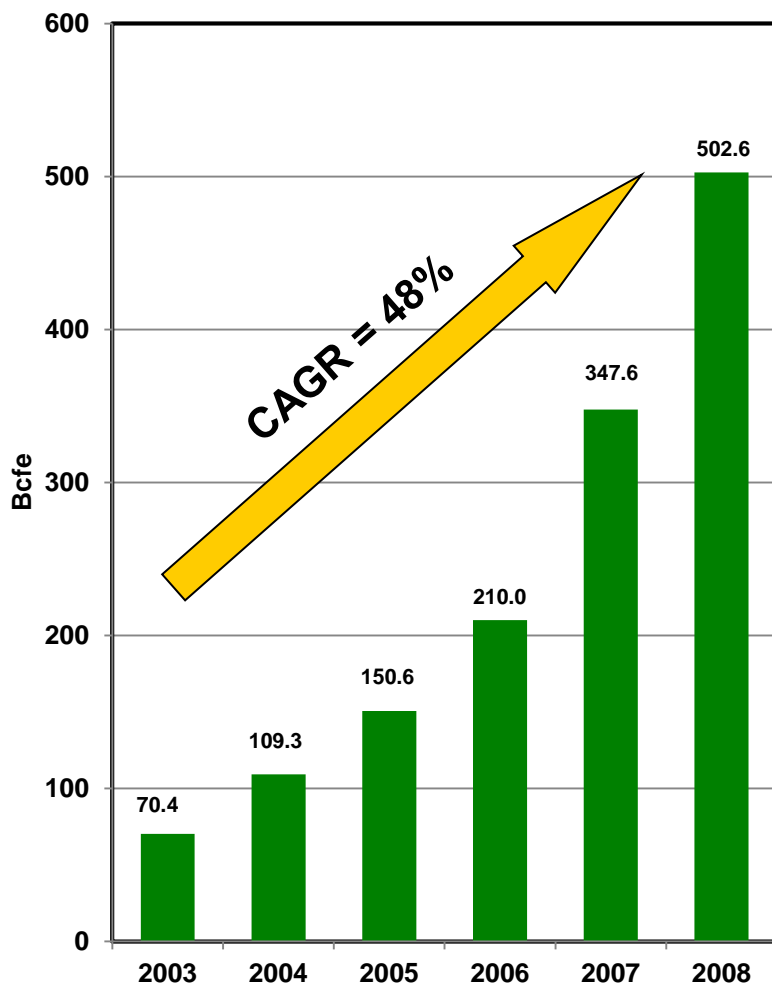


-  **Pursue a disciplined organic growth strategy**
 - “Manufacture gas” via exploitation of low-risk shale properties
 - Opportunistic acreage purchases

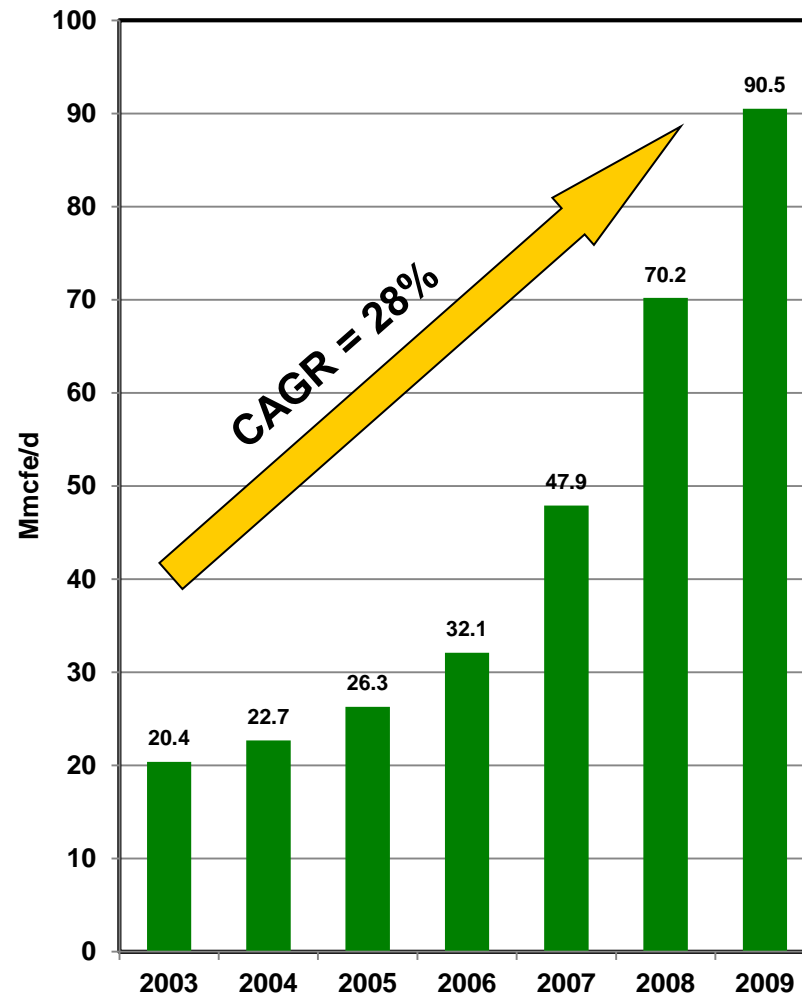
-  **Drilling program leads to predictable production growth**
 - 3 rigs planned in Barnett Shale for 2010
 - Drilling out of cash flow

-  **Apply development expertise to new areas with similar characteristics**
 - Control 108,000 net acres in Marcellus shale – mostly 5+3 year leases

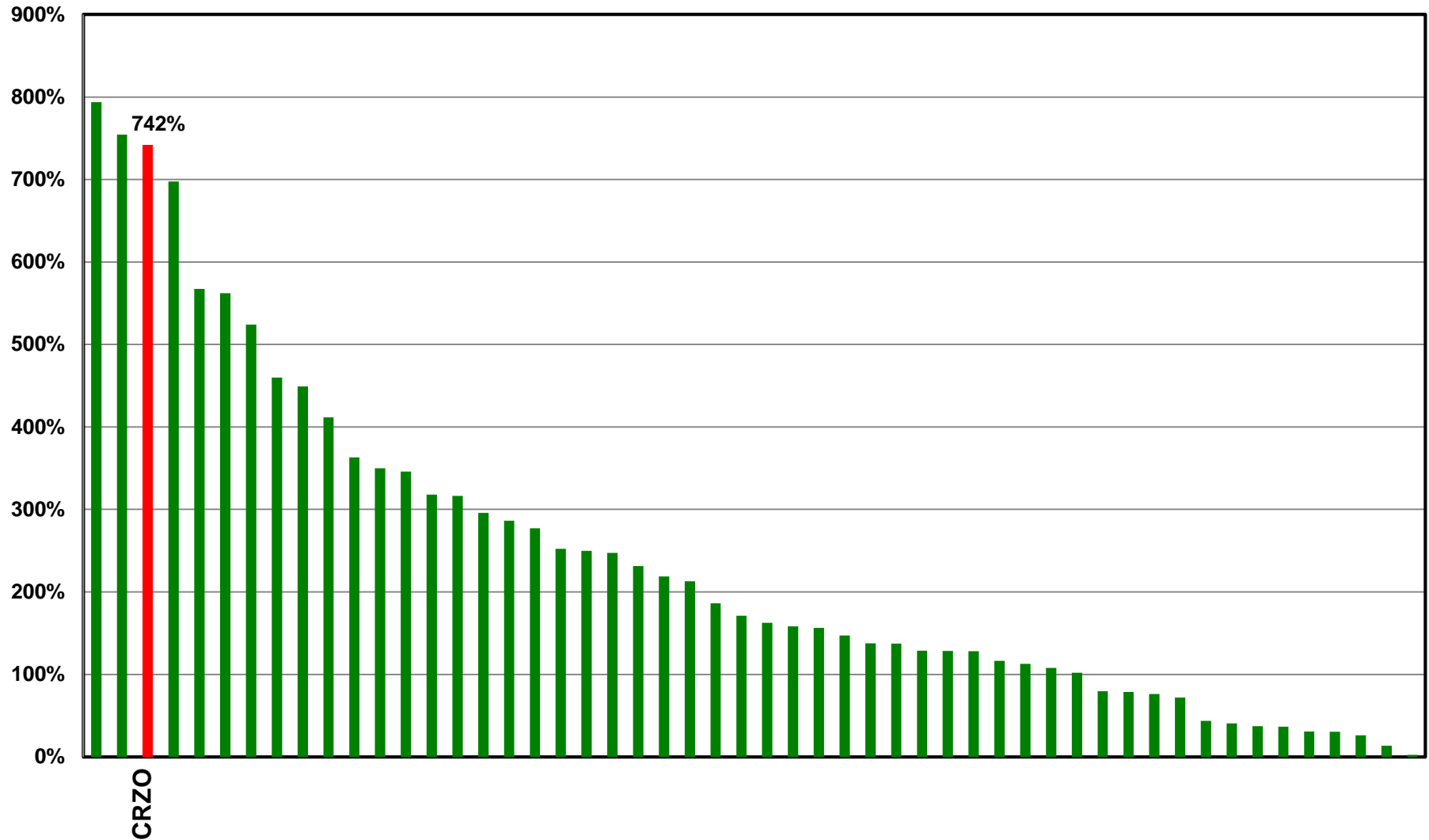
12/31 Proved Reserves (Bcfe)



Average Daily Production (Mmcfe/d)

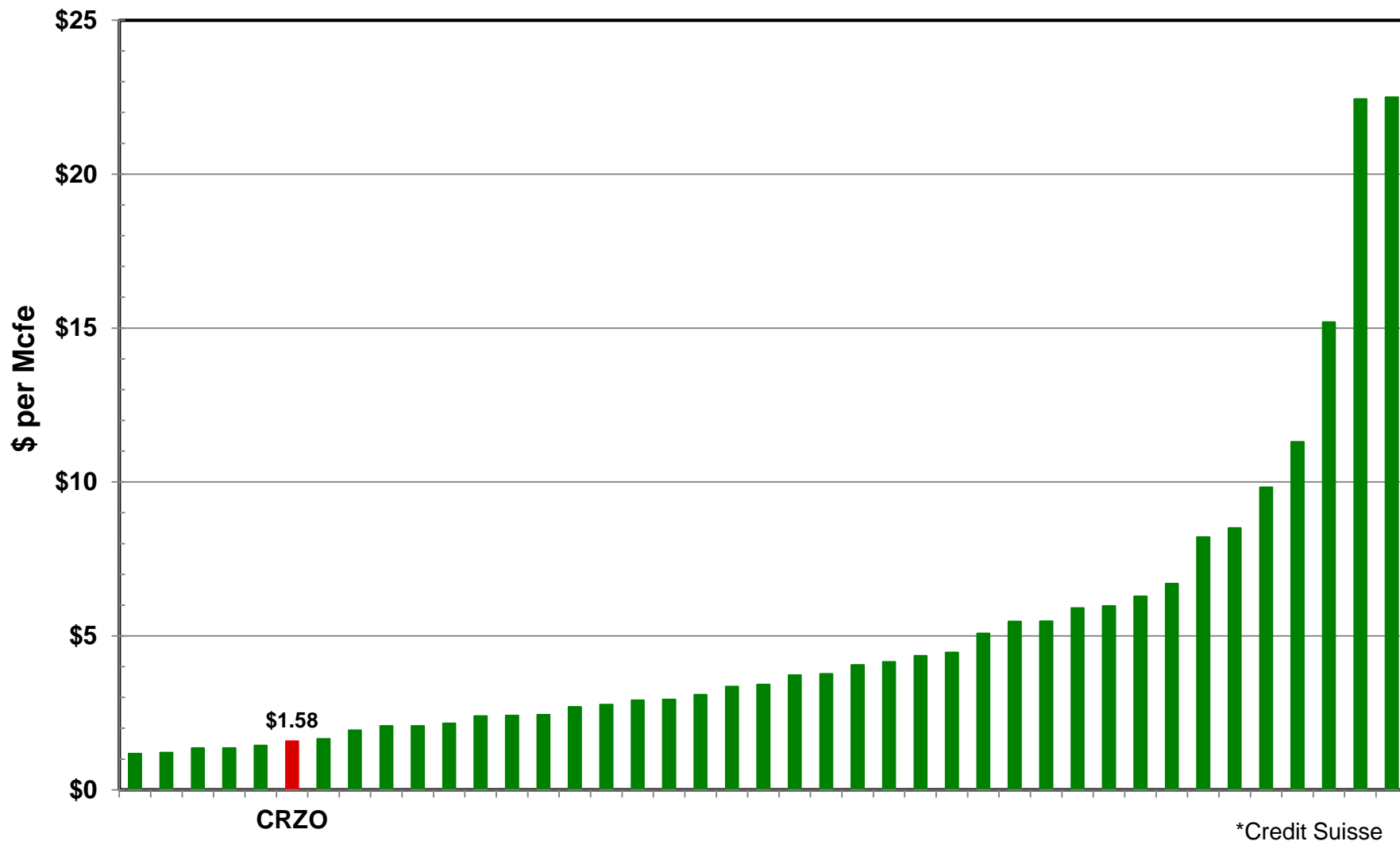


3 Year Average Worldwide Organic Reserve Replacement*



* Credit Suisse as of YE 2008

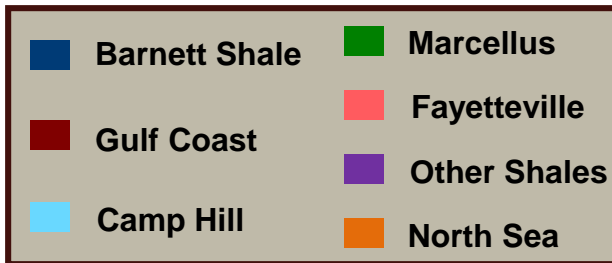
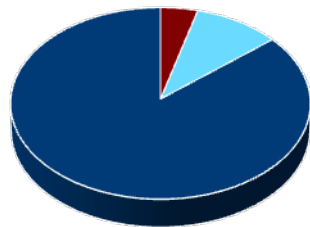
2008 Worldwide Organic Finding & Development Costs*



Reserves by Region

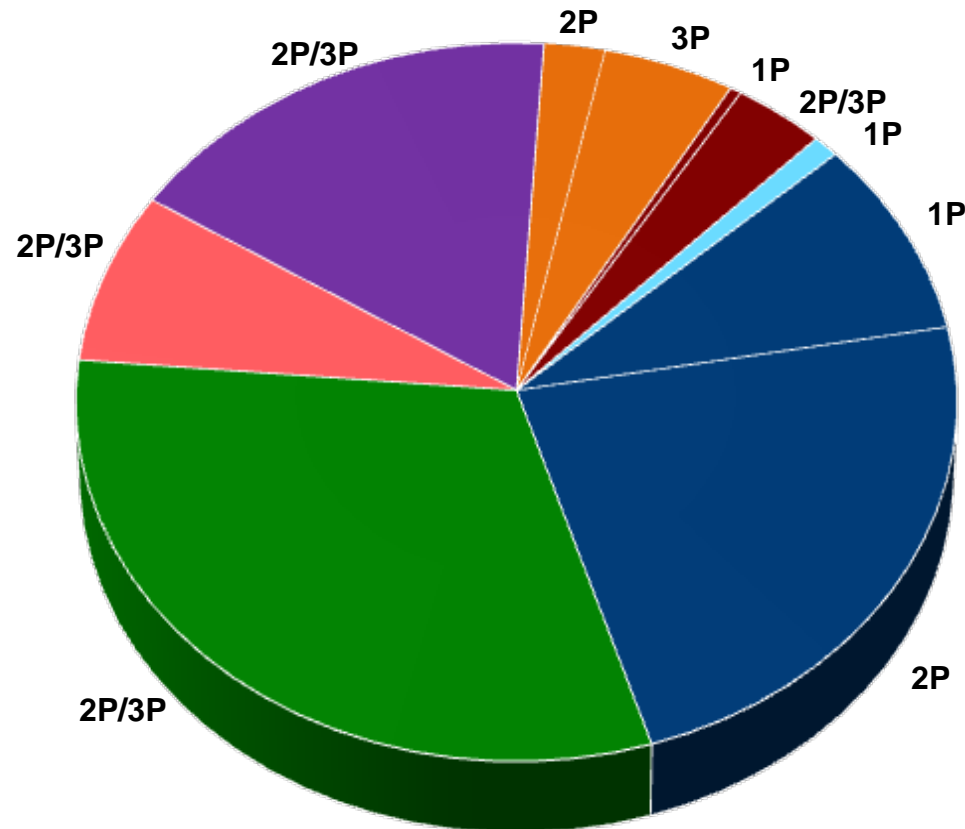


Total 1P – 503 BCFE
12/31/08⁽¹⁾







Net Shale Acreage Summary	
Fort Worth Barnett	60,000
Marcellus Shale	108,000
Fayetteville Shale	26,000
Marfa Basin	58,000
Floyd Shale	71,000
New Albany Shale	30,000

Total 3P – 4,862 BCFE⁽²⁾



(1) Based on LaRoche, Ryder Scott and Fairchild reserve reports as of 12/31/2008.

(2) Internal estimates; Marcellus/Fayetteville assume 50% drillable acreage, 80 acre spacing, 3Bcfe per well & 80% avg. NRI; Other shales assume 50% drillable acreage, 80 acre well spacing , 1 Bcfe per well, 80% avg. NRI.

-  **Play activity accelerated quickly in 2008 after initial industry success**
-  **Very attractive technical characteristics**
 - Located at depths of 5,000 –10,000 ft.; shale varies in thickness from 50 – 300 ft.
 - Devonian shale fairway encompasses 63 million acres vs. ~2 million for Barnett
 - Recoverable gas of 32-95 Tcfe
-  **Company could not fund internally given weak capital markets and Barnett Shale activity**
-  **Carrizo preference to maintain operations and leverage Barnett knowledge**

 Capital was focused primarily in Barnett drilling.

\$US Millions

Category

Drilling

Barnett Shale	\$121
Other Shales	5
Gulf Coast	1
Camp Hill	2
Other Texas	0

Total Drilling \$129

Land Acquisition

Barnett Shale	\$13
Marcellus	5
Other	0

Total Land \$18

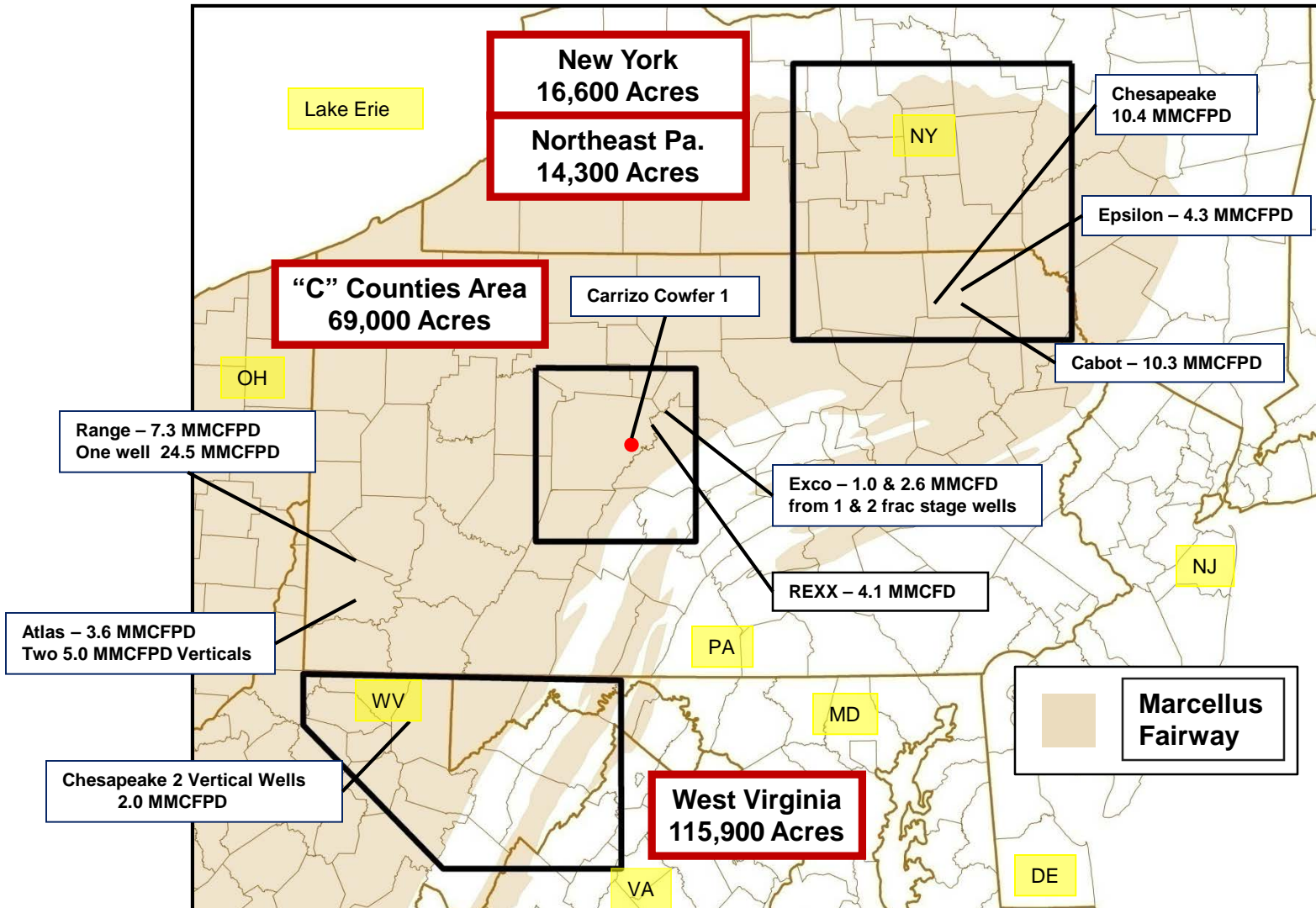
North Sea (pre-development) 2





Seismic and Other 6

Total Capex \$ 155

Marcellus Shale Project

JV Operating Areas





-  **Carrizo contributed leases at market price**
 - Received credit for \$100 MM
-  **Avista received 50% interest in leases**
 - Invested next \$100 MM to equalize
-  **Participation area covers entire Marcellus Shale**
 - Parties are working interest owners
 - Both can propose wells and non-consent
-  **Budgets reviewed quarterly**






Carrizo

- Raised capital without selling common stock or high priced debt
- Backs-in to additional upside if Avista reaches IRR hurdles (waterfall)
- Exposure to additional deal flow through Avista
- Working interest structure avoids accounting and SEC reserve definition problems

Avista

- Quickly achieved critical mass
- Partnered with experienced shale operator
 - Drilling and fracking horizontal wells, geophysics, land issues
- Future sale of interest facilitated by working interest structure

-  **Joint venture structures and participants evolving**
-  **Moving from private equity to public multi-nationals**
 - **Carrizo / Avista Capital**
 - **Antero / Warburg Pincus**
 - **Chesapeake / Statoil Epsilon / Chesapeake**
 - **Anadarko / Mitsui \$14,000 / acre in carries**
 - **Atlas?**
 - **Transenergy?**

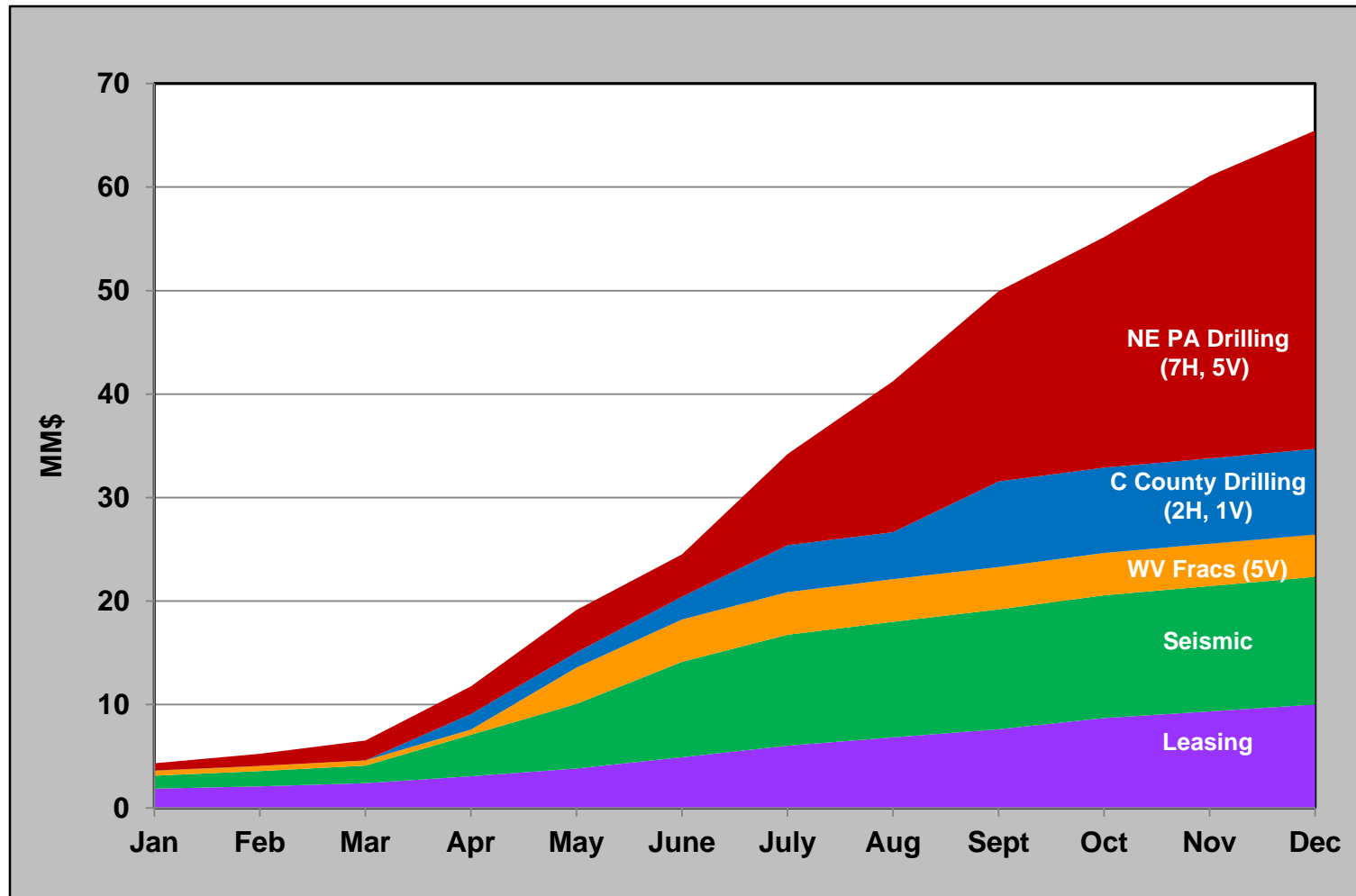
-  **JV allows acceleration of Marcellus activity**
-  **2010 will be combination of development and evaluation**
-  **Focus initial development drilling in industry proven NE Pennsylvania with near term midstream infrastructure**
 - **First horizontal well (non-op) 1Q**
 - **Full scale development beginning 3Q**
 - **Finalizing midstream contracts**
-  **Initiate “C” county development**
 - **Drill first horizontal offsetting 2009 Cowfer #1 and close to best industry wells**
 - **Pace of development contingent on midstream timing**
-  **Complete and test West Virginia vertical wells**

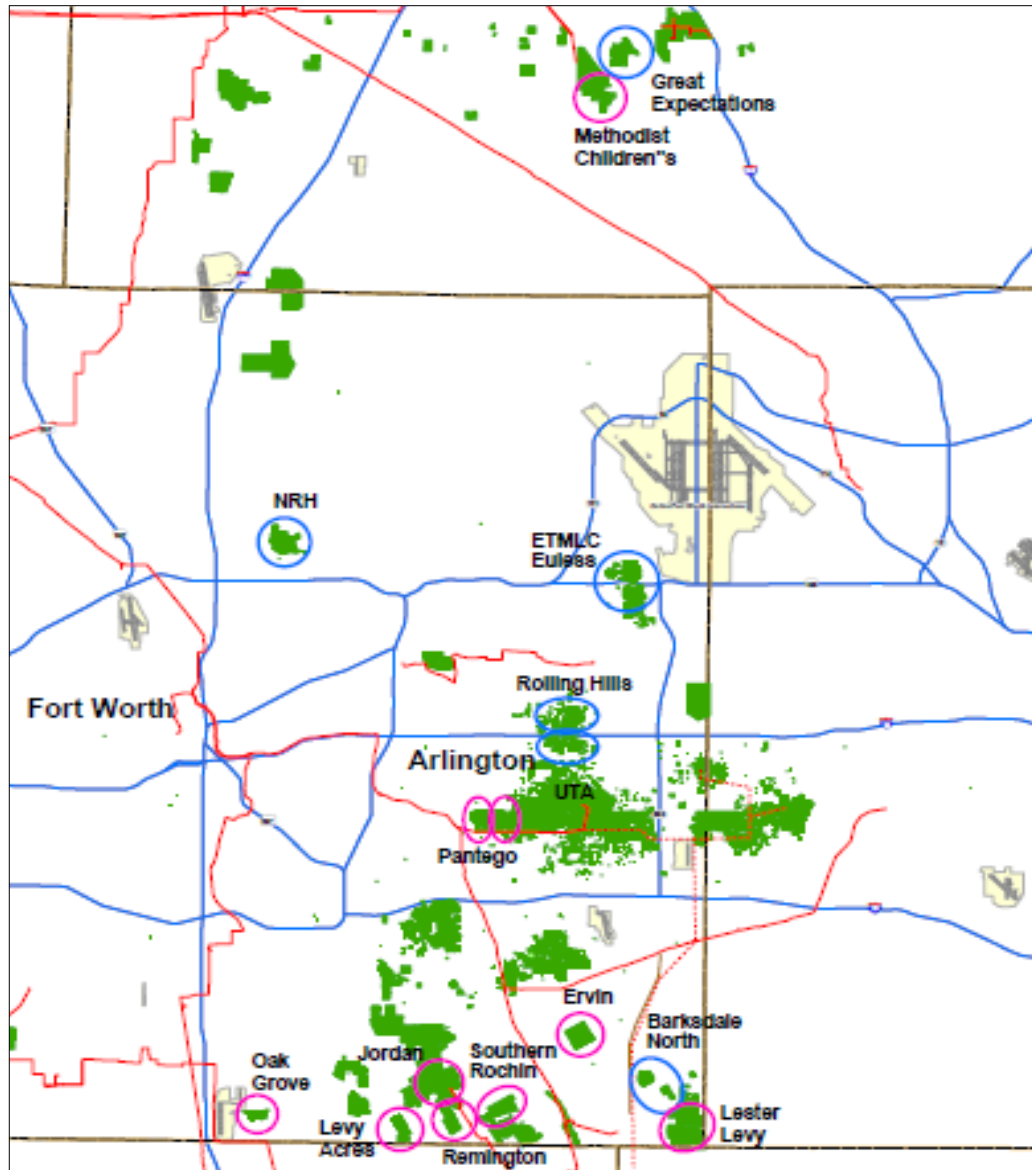
Marcellus Shale Project



Capital Program







 The current 2010 Marcellus capital budget is \$65 million total (\$32.5 net to Carrizo)

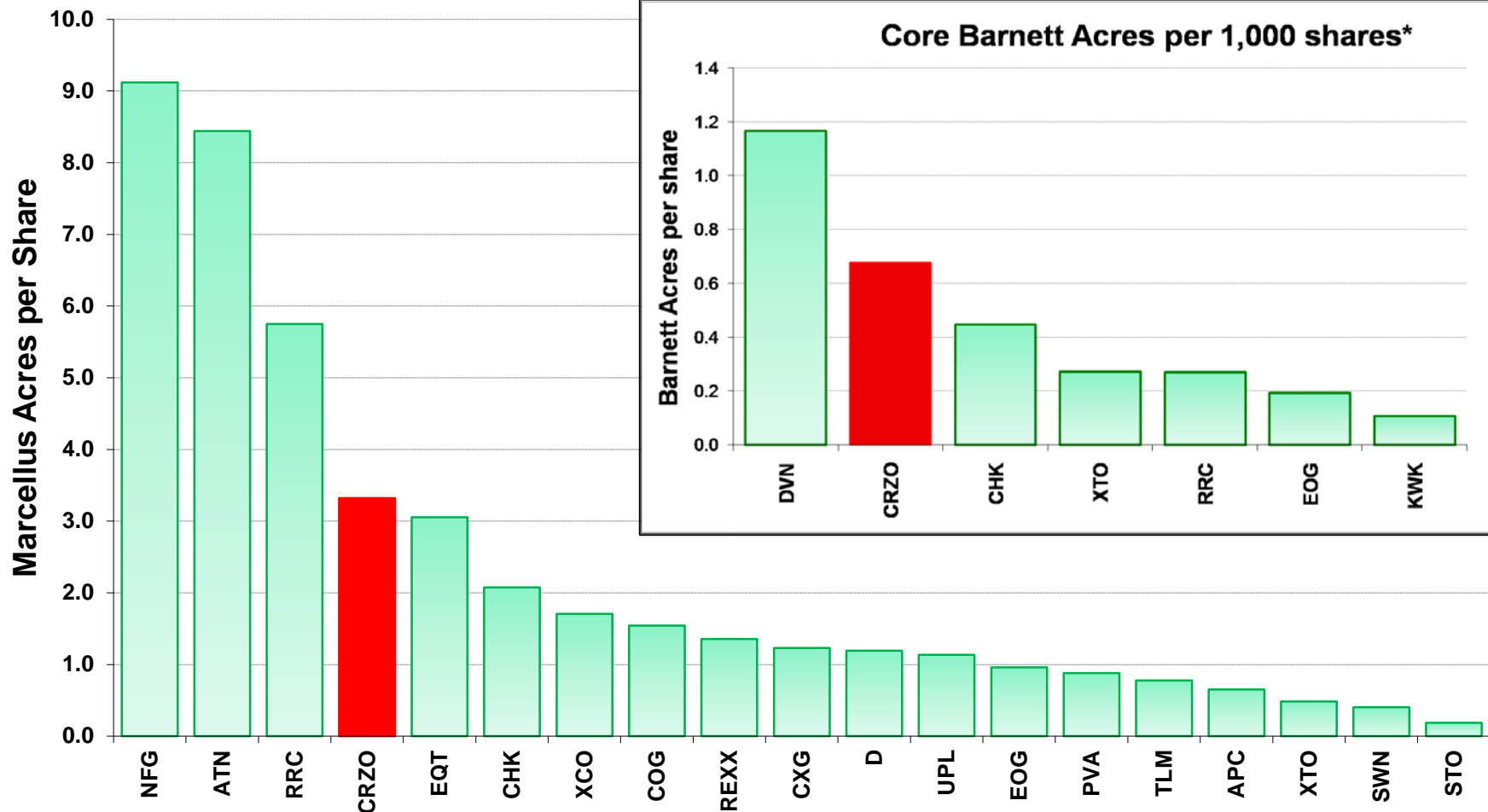




-  Sumitomo acquired 12.5% interest in 16 core Barnett Shale drilling units
-  6 producing wells at a rate of 1.3 MMcfe/day net to Sumitomo

-  Carrizo received \$15.7 MM payment as reimbursement for Carrizo expenditures to date
 - Pro-rata share of land (648 net acres) and seismic
 - Promoted share (approximately 16.6% for 12.5%) of drilling and completion costs
-  Sumitomo participates in future activity on a promoted basis on drilling at 500 ft. well spacing
 - 18 drilled wells waiting on completion and/or pipeline connection
 - 12 additional planned wells in initial phase
 - Right to participate in up to 56 future wells
-  Additional upside from downspacing beyond 250 ft. is not promoted
-  Potential to leverage into other JV opportunities

Marcellus Shale Acreage per 1,000 shares*



*Based on internal estimates and industry data

Cowfer #1 – Centre County, PA

