

HOUSTON, Sept. 05, 2017 (GLOBE NEWSWIRE) -- Carrizo Oil & Gas, Inc. (Nasdaq:CRZO) today provided an update on its operations following Hurricane Harvey as well as announced an agreement to sell its assets in the Utica Shale.

Operational Update Following Hurricane Harvey

Carrizo's producing assets and facilities in the Eagle Ford Shale sustained no damage as a result of Hurricane Harvey. In preparation for the storm, the Company suspended its drilling and completions operations in the play, but crews were able to return to the field last week, and all of the Company's operated Eagle Ford rigs and frac crews have resumed operations. As a result of downtime at third party midstream facilities and Gulf Coast refineries, sales volumes were temporarily reduced. The Company was able to secure some storage capacity, which has partially mitigated the impact on its production. Many of the third party facilities have restarted and resumed taking crude oil and natural gas, and Carrizo expects to be able to ramp back to nearly full sales capacity in the play this week. The Company plans to update its production guidance once more detailed information is available.

Utica Shale Divestiture

On August 31, 2017, Carrizo entered into an agreement to sell substantially all of its assets in the Utica Shale, located primarily in Guernsey County, OH, for \$62 million in cash, subject to customary closing conditions. Additionally, Carrizo could receive contingent payments of up to \$15 million in aggregate based on average annual WTI prices exceeding certain thresholds over the next three years. The effective date of the transaction is April 1, 2017, and the transaction is currently expected to close by October 31, 2017.

S.P. "Chip" Johnson, IV, Carrizo's President and CEO, commented, "While we cannot yet fully quantify the impact of Hurricane Harvey given potential damage to third party midstream and refining assets along the Gulf Coast, we are pleased to report that our employees are safe and our assets were not damaged. I'd like to commend our staff for their effort and dedication leading up to the storm as well as in the days following it. As a result, our team was able to return to drilling and completion operations with limited downtime as well as finalize the sale of our Utica Shale package while also dealing with the personal aftermath of this historic storm. As a Houston-based company, our thoughts continue to be with our employees as well as our neighbors and the many other Texans who were impacted by Hurricane Harvey and are dealing with very difficult conditions."

Carrizo Oil & Gas, Inc. is a Houston-based energy company actively engaged in the exploration, development, and production of oil and gas from resource plays located in the United States. Our current operations are principally focused in proven, producing oil and gas plays primarily in the Eagle Ford Shale in South Texas, the Delaware Basin in West Texas, the DJ Basin in Colorado, and the Marcellus Shale in Pennsylvania.

Statements in this release that are not historical facts, including but not limited to those related to sales capacity, updates, closing date timing, contingent payments, guidance, production, the estimated production results and financial performance, effects of transactions, timing, levels of and potential production, downspacing, oil and gas prices, drilling and completion activities, drilling inventory, including timing thereof, production mix, development plans, growth, hedging activity, the Company's or management's intentions, beliefs, expectations, hopes, projections, assessment of risks, estimations, plans or predictions for the future, results of the Company's strategies and other statements that are not historical facts are forward-looking statements that are based on current expectations. Although the Company believes that its expectations are based on reasonable assumptions, it can give no assurance that these expectations will prove correct. Important factors that could cause actual results to differ materially from those in the forward-looking statements include assumptions regarding well costs, estimated recoveries, pricing and other factors affecting average well returns, results of wells and testing, failure of actual production to meet expectations, performance of rig operators, spacing test results, availability of gathering systems, costs of oilfield services, actions by governmental authorities, joint venture partners, industry partners, lenders and other third parties, actions by purchasers or sellers of properties, satisfaction of closing conditions and failure of disposition to close, purchase price adjustments, integration, WTI price levels, and other risks and effects of acquisitions, market and other conditions, risks regarding financing, availability of well connects, capital needs and uses, commodity price changes, effects of the global economy on exploration activity, results of and dependence on exploratory drilling activities, operating risks, right-of-way and other land issues, availability of capital and equipment, weather, and other risks described in the Company's Form 10-K for the year ended December 31, 2016 and its other filings with the U.S. Securities and Exchange Commission. There can be no assurance any transaction described in this press release will occur on the terms or timing described, or at all.

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