Carrizo Oil & Gas, Inc. (Nasdaq: CRZO) today announced that on October 5, 2017, the Company entered into an agreement to sell its assets in the Marcellus Shale to a subsidiary of Kalnin Ventures LLC for $84 million in cash, subject to customary closing terms and conditions. Additionally, Carrizo could receive contingent payments of up to $7.5 million in aggregate based on natural gas prices exceeding certain thresholds over the next three years. Net production from the assets averaged more than 40 MMcf/d of natural gas over the first nine months of 2017. The effective date of the transaction is April 1, 2017, and the transaction is currently expected to close by the end of November, 2017.

S.P. “Chip” Johnson, IV, Carrizo’s President and CEO, commented, “With the announced sale of our Marcellus package, we have continued to execute on the divestiture program we outlined earlier this year. We expect to close the sale of both of our Appalachian packages during the fourth quarter and remain on track to reach our divestiture program goals. Our DJ Basin package is currently being marketed, and interest has been strong. We hope to be able to announce a sale of this asset later this quarter.”

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 on proven, producing oil and gas plays in the Eagle Ford Shale in South Texas and the Permian Basin in West Texas.

Statements in this release that are not historical facts, including but not limited to those related to updates, closing date and sale announcement timing, contingent payments, guidance, proceeds of divestiture program, production, the estimated production results and financial performance, effects of transactions, timing, levels of and potential production, oil and gas prices, drilling and completion activities, drilling inventory, including timing thereof, 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, 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, commodity price levels, and other risks and effects of acquisitions and dispositions, 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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