

June 20, 2008

CAZA OIL & GAS, INC. ("Caza" or the "Company") (TSX:CAZ)(AIM:CAZA)

Commencement of operations at Glass Ranch

HOUSTON, TEXAS (June 20, 2008) Caza is pleased to announce that on 17 June 2008 drilling operations commenced on the Glass Ranch A #1 well in Upton County, Texas.

This well is operated by Momentum Energy Corp. and is planned to be drilled over 30 days to 10,800 feet in order to test the Spraberry and Wolfcamp formations. Caza has a 50% working interest in this well.

Commenting, Mike Ford, CEO of Caza said:

"We are excited to announce the commencement of operations on this well which is the first on an expected four well programme on our acreage in the Spraberry and Wolfcamp resource play in the Permian Basin."

**About Caza:**

Caza is engaged in the acquisition, exploration, development and production of hydrocarbons in the Texas Gulf Coast (on-shore), south Louisiana, southeast New Mexico and the Permian Basin of West Texas regions of the United States of America through its subsidiary, Caza Petroleum, Inc.

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In accordance with AIM Rules - Guidance Note for Mining, Oil and Gas Companies, the information contained in this announcement has been reviewed and approved by Anthony B. Sam, Vice President Operations of Caza who is a Petroleum Engineer and a member of The Society of Petroleum Engineers.

ADVISORY REGARDING FORWARD-LOOKING STATEMENTS - In the interests of providing Caza shareholders and potential investors with information regarding Caza, including management's assessment of Caza's and its subsidiaries' future plans and operations, certain statements contained in this news release are forward-looking statements or information within the meaning of applicable securities legislation, collectively referred to herein as "forward-looking statements". Forward-looking statements in this news release include, but are not limited to: future economic and operating performance; anticipated growth and success of resource plays and the expected characteristics of resource plays; anticipated production and sales of oil, natural gas and NGLs; anticipated capital investment and the allocation thereof; and anticipated growth in hydrocarbon production.

Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause the company's actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things: volatility of and assumptions regarding oil and gas prices; assumptions based upon the company's current guidance; fluctuations in currency exchange and interest rates; product supply and demand; market competition; risks inherent in the company's marketing operations, including credit risks; imprecision of reserve estimates and estimates of recoverable quantities of oil, natural gas and liquids from resource plays and other sources not currently classified as proved; the company's ability to replace and expand oil and gas reserves; the company's ability to generate sufficient cash flow from operations to meet its current and future obligations; the company's ability to access external sources of debt and equity capital; the timing and the costs of well and pipeline construction; the company's ability to secure adequate product transportation; changes in royalty, tax, environmental and other laws or regulations or the interpretations of such laws or regulations; the risk of terrorist threats; risks associated with future lawsuits and regulatory actions made against the company; and other risks and uncertainties described from time to time in the reports and filings made with securities regulatory authorities by Caza.

Although Caza believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned that the foregoing list of important factors is not exhaustive. Furthermore, the forward-looking statements contained in this news release are made as of the date of this news release, and, except as required by law or regulation, Caza does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.