

May 14, 2009

Caza Oil & Gas, Inc. (“Caza” or the “Company”)

Exploration Update

Houston, May 14, 2009. Caza Oil & Gas, Inc. (TSX: CAZ) (AIM: CAZA) is pleased to provide an update on its operations in Texas, New Mexico and Louisiana.

On April 9, 2009, the Company announced that its subsidiary, Caza Petroleum, Inc., had entered into a definitive participation agreement (the “ Endeavour Agreement”) with Endeavour International Corporation (NYSE-Alt:END) (LSE:ENDV) (“Endeavour”) to participate in a jointly established exploration and development program in the United States. The program will primarily focus on Caza’s existing onshore acreage position and portfolio of identified opportunities. The Endeavour Agreement provides that with respect to those assets in which Endeavour elects to participate, Endeavour will fund the acquisition, exploration and appraisal activity costs attributable to Caza’s interest in such assets to earn 75% of Caza’s participating interest. Caza will remain as program operator.

Caza and Endeavour have now finalized the initial work program and related budget for 2009, covering the prospects and opportunities intended to be pursued throughout the year. In the near term, Endeavour has agreed to fund the drilling of three wells located in the emerging, exciting and competitive Abo-Wolfcamp trend in New Mexico. The three initial wells are named: Lucky Penny 10 State #1, Bada Bing 23 State #1 and Moore Bailout 11 State #1. Caza, as operator, has scheduled the three wells to be drilled back-to-back beginning on or about May 20, 2009. Caza acquired a 50% working interest in these projects in conjunction with its exploration agreement with Wise Oil & Gas No. 8 Ltd (“Wise”).

The Lucky Penny 10 State #1 is the initial test well on the Moore Cap #2 prospect, which comprises 960 gross acres. The well is located in Township 12 South, Range 32 East, Lea County, New Mexico. The Lucky Penny well will test the Abo/Wolfcamp formation at a true vertical depth of 8,500’ or a measured depth of 12,250’ including a 3,500’ horizontal lateral.

The second well to be drilled is the Bada Bing 23 State #1, which is the initial test well on the 1,800 gross acre Bada Bing prospect. The Bada Bing well will test the Abo/Wolfcamp formation at a true vertical depth of 8,800’ or a measured depth of 13,225’ including a 4,100’ horizontal lateral.

The third well to be drilled is the Moore Bailout 11 State #1, which is the initial test well on the 1,920 gross acre Moore Cap #1 prospect. The Moore Bailout well is scheduled to test the Abo-Wolfcamp formation at a true vertical depth of 8,400’ or a measured depth of 12,500’ including a 3,800’ horizontal lateral.

Under the Endeavour Agreement, Caza currently has a 12.5% carried working interest through first commercial production on each of the three wells with a corresponding net revenue interest as follows: Lucky Penny 9.375%; Moore Bailout 9.375%; and Bada Bing 10.156%.

If successful, each well is expected to set up numerous development locations on government approved proration units of 160 acres per well.

In addition to these prospects and initial wells, the agreed work program and budget currently includes six additional prospects for potential drilling and testing in 2009, including: Moore Cap #3; Las Animas; Bongo; Soledad Creek; and Round Tank prospects. Final authorization to drill and lease on specific

prospects within the approved work program is subject to Endeavour's decision based on final recommendation procedures contained in the Endeavour Agreement.

An important aspect of the Endeavour Agreement is that it provides a leasing budget to acquire new projects as well as continued expansion of existing lease positions. For instance, the initial leases on the Round Tank and Bada Bing North prospects were recently acquired by Caza at the April 2009, State and Federal lease sales in New Mexico. The lease taken on Bada Bing North is a State lease covering 320 gross acres, and the two leases taken on Round Tank are Federal leases collectively covering 1,120 gross acres. All three leases are located in the Abo-Wolfcamp trend.

The 2009 drilling program is focused on prospects that have ample exposure to upside. The Endeavour Agreement will enable up to nine wells to be drilled in 2009, and fits with Caza's current strategy to conserve capital, reduce single project exposure and increase the number of projects drilled in a given period.

Other developments:

In addition to the developments made to the Company's portfolio under the Endeavour Agreement, the Company is pleased to provide the following update on its Sheep Mountain Property in Crockett County, Texas:

Caza recently entered into a participation agreement with EXL Petroleum, LP ("EXL") and Ambrose Energy I, Ltd covering 480 acres. Pursuant to the terms of the agreement, Caza was paid US\$200,000 for an undivided 50% interest in its leasehold. The agreement also gave Caza a 50% ownership interest in the University # 201 well, which was recently drilled by EXL, as operator, to a total depth of 9,850' testing the Spraberry-Wolfcamp formation. The well was then perforated in a series of intervals covering depths from 7,595 to 9,200' and fracture stimulated in 10 stages. The well is currently being placed on pump for oil production.

The Agreement with EXL has resulted in Caza gaining a 50% working interest with a corresponding net revenue interest of 37.5% in the University #201 well and a US\$200,000 payment. In return, Caza has reduced its working interest in the Sheep Mountain prospect to 50%.

W. Michael Ford, President and CEO commented:

"I am very pleased with the progress this year of the Company's exploratory projects, especially the work program projects being jointly pursued by Caza and Endeavour. The work program with Endeavour has been implemented quickly and has become the focus of Caza's exploration activities. Our 2009 drilling program has been designed to expose Caza's interest to ample upside, which should transform into additional cash flows, while conserving the Company's capital position in this difficult financial climate."

For further information please contact:

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The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.

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

This announcement contains forward-looking statements. These statements relate to future events or future performance of Caza. When used in this announcement, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “seek”, “propose”, “expect”, “potential”, “continue”, and similar expressions, are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such statements reflect the Corporation’s current views with respect to certain events, and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Corporation’s actual results, performance, or achievements to vary from those described in this announcement. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this announcement as intended, planned, anticipated, believed, estimated, or expected. Specific forward-looking statements in this announcement include, among others, statements pertaining to the following:

- Caza’s 2009 drilling program includes the number and location of wells to be drilled;
- factors upon which Caza will decide whether or not to undertake a specific course of action;
- world wide supply and demand for petroleum products;
- expectations regarding Caza’s ability to raise capital;
- treatment under governmental regulatory regimes; and
- commodity prices.

With respect to forward-looking statements in this announcement, Caza has made assumptions, regarding, among other things:

- Endeavour’s intention to fund the 2009 drilling program;
- the current global credit crisis and recession;
- commodity prices;
- the impact of increasing competition;
- Caza’s ability to obtain additional financing on satisfactory terms; and
- Caza’s ability to attract and retain qualified personnel.

Caza’s actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this announcement:

- current global credit crisis and recession;
- changes in the general economic, market, and business conditions;
- volatility in global market prices for oil and natural gas;
- competition;
- liabilities and risks, including environmental liability and risks, inherent in oil and gas operations;
- the availability of capital; and

- alternatives to and changing demand for petroleum products.

Furthermore, statements relating to “reserves or “resources” are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the resources and reserves described can be profitable in the future. Future flow rates from wells may vary from the flow rates disclosed herein, perhaps materially, and the wells in question may prove to be technically or economically unviable. Any future flow rates will be subject to the risks and uncertainties set out herein.

Financial outlook information contained in this announcement about prospective results of operations, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action, based on management’s assessment of the relevant information currently available. Readers are cautioned that such financial outlook information contained in this announcement should not be used for purposes other than for which it is disclosed herein.

The forward-looking statements contained in this announcement are expressly qualified in their entirety by this cautionary statement. These statements speak only as of the date of this announcement. The Corporation does not intend and does not assume any obligation, to update these forward-looking statements to reflect new information, subsequent events or otherwise, except as required by law.