

**CODE OF ETHICS AND BUSINESS CONDUCT  
OF  
CARRIZO OIL & GAS, INC.**  
(As of November 15, 2011)

**INTRODUCTION**

Carrizo Oil & Gas, Inc. (the “Company”) has a long-standing commitment to conduct its business in compliance with all applicable laws and regulations, and in accordance with the highest ethical principles. This Code of Ethics and Business Conduct (the “Code”) covers a range of business practices and procedures affecting all directors, officers, and employees of the Company (each, “Covered Person, and collectively, “Covered Persons”). It does not cover every issue that may arise but it sets out basic principles to guide the Covered Persons. The Company expects all Covered Persons to act in accordance with the highest standards of personal and professional integrity, to comply with all applicable laws, rules and regulations, to deter wrongdoing, and to abide by this Code and all other policies and procedures adopted by the Company that govern the conduct of all Covered Persons.

**POLICY GUIDELINES**

Honest and ethical conduct; conflicts of interest. In carrying out their duties and responsibilities, all Covered Persons should engage in, and promote, honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. All Covered Persons should strive to identify and raise potential issues before they lead to problems.

A “conflict of interest” occurs when an individual’s personal interest is, or could reasonably be expected to become, adverse to, or otherwise in conflict with, the interests of the Company. It arises when a Covered Person takes actions or has interests that may make it difficult to perform, objectively and effectively, his or her work for the Company. Conflicts of interest may also arise when a Covered Person, or members of his or her family, receive improper personal benefits as a result of his or her position in the Company, have a direct or indirect (e.g. through a corporation, partnership, or other entity) personal interest, or when family members or close personal friends are involved in business relationship with the Covered Person(s), either inside or outside the Company.

Conflicts of interest are prohibited as a matter of the Company’s policy, except pursuant to guidelines approved by the Board of Directors. Covered Persons should avoid taking actions that would create actual or apparent conflicts of interest.

In those rare occasions, in which an unanticipated conflict of interest may arise, the affected Covered Person should promptly bring the situation to the attention of the supervisor or other senior management personnel, if appropriate, so that necessary steps may be taken to eliminate the conflict or initiate other preventative or appropriate action.

Corporate opportunities. All Covered Persons are prohibited from taking personal advantage of the opportunities that are discovered in the course of performing Company’s duties or through the use of the Company’s property, information, or position. All Covered Persons owe a duty to the Company to advance its legitimate interests when opportunities arise. No Covered Person may use the Company’s property, information, or position for improper personal gain, and no Covered Person may compete with the Company, either directly or indirectly.

Gifts and entertainment. The Company believes that the purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationship, not to gain unfair advantage with the Company’s business partners. Accordingly, no gift or entertainment should ever be

directly or indirectly offered, given, provided, or accepted by any Covered Persons or their family member unless it (i) is not a cash gift, (ii) is consistent with customary business practices, (iii) is not excessive in value, (iv) cannot be construed as a bribe or payoff, and (v) does not violate any relevant laws, rules, or governmental regulations.

Confidentiality. All Covered Persons have an ethical and legal duty not to disclose confidential, non-public, proprietary information concerning the Company or its business partners, except when disclosure is authorized by a supervisor, or required by law. Any violation of confidentiality seriously injures the Company's reputation and effectiveness, and could subject the Company to liability. "Confidential information" includes, but is not limited to, all non-public information that might be of use to competitors or that might be harmful to the Company if disclosed. The obligation to preserve confidential information continues even after the employment with the Company ends.

Proper use of the Company's assets. All Covered Persons should endeavor to protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. All Company's assets should be used only for legitimate and approved business purposes. Any suspected incident of fraud or theft should be immediately reported for investigation.

Full and fair disclosure. It is the Company's policy to ensure that the information in its public communications, including filings with the Securities and Exchange Commission, is accurate in all material respects, and to comply with all relevant laws, rules, and regulations. All Covered Persons should exercise diligence and care in performance of their duties to further this policy. Covered Persons (a) are prohibited from knowingly misrepresenting, omitting, or causing others to misrepresent or omit, material facts about the Company to anyone having a role in the Company's financial reporting and disclosure processes and (b) must not directly or indirectly take any action to coerce, manipulate, mislead, or fraudulently influence the Company's or its subsidiaries' independent auditors or any internal accounting or auditing personnel for the purpose, or with the effect of, rendering the financial statements of the Company and its subsidiaries misleading, or direct anyone else to do so.

It is the responsibility of each Covered Person to promptly bring to the attention of a member of the Company's Audit Committee any material information that the Covered Person may become aware of that materially affects the disclosures made by the Company in its public filings or otherwise, and to otherwise assist the Audit Committee in fulfilling its responsibilities. In addition, each Covered Person shall promptly bring to the attention of the Internal Audit Department any information he or she may have concerning (a) significant deficiencies or material weaknesses in the design or operation of internal controls that could adversely affect the Company's ability to record, process, summarize, and report financial information or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's financial reporting, disclosures, or internal controls.

Compliance with laws and regulations. Covered Persons should comply with all applicable governmental laws, rules, and regulations. Although no single individual is expected to know the details of all policies, laws, rules and regulations, it is important to know enough to determine when to seek advice or guidance. Each Covered Person should promptly bring to the attention of their supervisor or other senior management personnel, if appropriate, an evidence of any material violations of Company's policies or any laws, rules, or regulations applicable to the Company, by the Company, or anyone acting on its behalf. In situations when the applicable law conflicts with a policy in this Code, the law governs; however, if a local custom or policy conflicts with this Code, the policy of this Code governs.

Accountability. Each Covered Person will be held accountable for his or her adherence to this Code. A failure to observe the terms of this Code may result in a disciplinary action, up to and including,

in the case of the employees, termination of position with the Company. Violations of this Code may also constitute violations of law that may result in civil and/or criminal penalties.

Reporting of violations of this code. Each Covered Person is responsible for reporting any material violation of this Code or circumstances, which such individual considers to involve a possible violation to his or her supervisor or other senior management personnel, if appropriate. A Covered Person may choose to remain anonymous in reporting violations or circumstances that may involve a violation by calling an independently operated Compliance Employee Report Line at the following number: 877-888-0002.

Compliance Procedures. All Covered Persons are encouraged to talk to supervisors or other senior management personnel, if appropriate, about observed illegal or unethical conduct. The Company and all Covered Persons must work together to ensure prompt and consistent action against violations of this Code. However, in some situations it is difficult to know if a violation has occurred. Since it is not possible to anticipate every situation that will arise, the Company has set forth below a way to approach new questions or problems. The following are guidelines you should follow in connection with your responsibilities under this Code:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible;
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the available alternatives. Use judgment and common sense;
- Discuss the problem with your immediate supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question and will appreciate being brought into the decision-making process;
- Seek help from Company resources. In the event that it may not be appropriate or you do not feel comfortable discussing an issue with your supervisor, contact the General Counsel. If that also is not comfortable for you, call the independently operated Compliance Employee Report Line at 877-888-0002. If you prefer to write, address your concerns to the attention of the General Counsel to the following address: Carrizo Oil & Gas, Inc., 1000 Louisiana Street, Suite 1500, Houston, Texas 77002.
- If a report of wrongdoing relates to accounting, auditing, or financial reporting matter, or persons involved in the development or implementation of the Company's system of internal controls, you may request that the report be sent solely to the Internal Audit Department and/or solely to the Chairman of the Audit Committee.
- Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

Non-Retaliation. The Company prohibits retaliation of any kind against individuals who have made good faith reports or complaints of violations of this Code or other known or suspected illegal conduct. "Good faith" does not mean that the person has to be right, but it does mean that the person believes that he or she is providing truthful information.

If a Covered Person suspects that he or she has been retaliated against for reporting possible misconduct, the Covered Person should contact his or her supervisor or other senior management

personnel, if appropriate, or report the suspected retaliation by calling the Compliance Employee Report Line at 877-888-0002 and leaving an anonymous concern.

Any Covered Person who retaliates against another person for reporting known or suspected violation of the Company's legal or ethical obligation will be in violation of this Code and subject to a disciplinary action, up to and including termination. Retaliation may also be a violation of the law, and as such, could subject both the individual offender and the Company to legal liability.

Waivers. Any waiver of this Code for executive officers or directors of the Company may be made only by the Company's Board of Directors and will be promptly disclosed as required by law, the regulations of the Securities and Exchange Commission, and the rules of the Nasdaq Stock Market, Inc.

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As adopted by the Company's Board of Directors.