



PRESS RELEASE

May 9, 2008

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

Exploration and Operational Update

Caza is pleased to announce that exploration wells on its Eland Property and Puku Property, both located in Wharton County, Texas, have successfully encountered hydrocarbons.

The following operational update covers current well activities.

Eland Property - Located in Wharton County, Texas, the Hinton #1501 well commenced drilling on April 19, 2008 and reached a total depth of 6,712 feet on April 25, 2008. Petrophysical logs were run on April 25, 2008, production casing was set at a depth of 6,700 feet and the Frio interval from 5,024 to 5,039 feet was perforated on May 5, 2008. The Hinton #1501 well flowed natural gas and was shut in to conduct a gravel pack completion. The Company is currently building its production facility and is preparing to tie the well back to a nearby gas trunkline. First sales are expected to occur on or about May 20, 2008.

Caza is the operator of this well and has a 35.0% working interest (25.0% net revenue interest).

Puku Property - Located in Wharton County, Texas, the Andel #2201 well commenced drilling on April 29, 2008 and reached a total depth of 6,310 feet on May 6, 2008. Petrophysical logs were run on May 6, 2008 and analysis of the data indicates the well encountered Frio sand pay at depths ranging from 5,670 feet to 5,836 feet. The Company has confirmed hydrocarbon saturation and pressure data from several zones. Production casing was set on May 7, 2008 and completion operations are expected to commence around May 16, 2008.

Caza is the operator of this well and has a 35.0% working interest (26.52% net revenue interest).

Wilcox 116 Property - Located in Wharton County, Texas, the Jonell Cerny gas unit #1 well commenced drilling on January 15, 2008 and as previously announced reached a total depth of 16,510 feet on March 3, 2008. Completion operations began on April 2, 2008 with a dual zone multistage completion. Following fracture stimulation the well encountered mechanical difficulties. The Company is currently evaluating options for remedial work, including the possibility of a plug back completion in the Upper Yegua Formation.

Caza is the operator of this well and drilled and earned a 29.9% working interest (20.9% net revenue interest).

Lynch Property - Located in Lea County, New Mexico, the Mud Slide Slim '15' Federal Com. #1 commenced drilling on January 12, 2008 and as previously announced reached a total depth of 13,513 feet on March 2, 2008. Completion operations in the Morrow formation are underway and the Company expects to bring this well on stream by May 23, 2008.

Caza has earned a 40.0% working interest (31.3% net revenue interest) before payout which reduces to a 27.8% working interest (20.9% net revenue interest) after payout of the initial well in this property.

Commenting, Mike Ford, CEO of Caza said:

'Of five exploration wells drilled by Caza this year so far we have encountered hydrocarbons in four, and following well completion and tie-in operations expect to have production from at least three of them in the very near future. I am especially pleased that our recent drilling results have proven that our geophysical understanding and the utilization of advanced analysis in direct hydrocarbon indicators is working.'

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.