



CARRIZO OIL & GAS, INC.

POLICIES and PROGRAMS HANDBOOK

TABLE OF CONTENTS

INTRODUCTION4

POLICIES, PROCEDURES, GUIDELINES.....5

- I. At-Will Employment5
- II. Equal Employment Opportunity (EEO).....5
- III. Americans With Disabilities Act (ADA)5
- IV. Anti-Harassment Policy6
- V. Workplace Violence.....9
- VI. Drug and Alcohol Policy.....10
- VII. Tobacco Policy12
- VIII. Vehicle Policy.....12
- IX. Company-Provided Lodging/Housing Policy17
- X. Healthy, Safety, and Security19

EMPLOYMENT AND PAY PRACTICES 21

- I. Staff Classifications21
- II. Fair Labor Standards Act (FLSA) Classifications22
- III. Pay Periods..... 22
- IV. Hours of Work22
- V. Time Records22
- VI. Overtime Pay23
- VII. Holiday Pay23
- VIII. Inclement Weather23
- IX. ‘On-Call’ Work23
- X. ‘Call-Out’ Work24
- XI. Compensatory Time-Off (i.e. ‘Comp Time’)24
- XII. Payroll Deductions and Repayments at Termination.....24
- XIII. Garnishments and Liens24

CONDUCT GUIDELINES 26

- I. Performance Management.....26
- II. Attendance26
- III. Dress Code.....26
- IV. Political Involvement26
- V. Conflict Resolution Guidelines27
- VI. Conduct28
- VII. Progressive Discipline29
- VIII. Termination of Employment29

CARRIZO BENEFITS AND PROGRAMS FOR EMPLOYEES.....31

- I. Holidays31

II. Paid Time-Off (PTO).....	31
III. Adoption and Paternity Benefit.....	33
IV. Family and Medical Leave Act (FMLA)	33
V. Bereavement Leave.....	38
VI. Jury Duty.....	38
VII. Military Leave	38
VIII. Benefit Plans and Services.....	38
IX. 401(K) Plan	39
X. Professional Development and Training	39
XI. Charitable Contribution Company Match Program	40
XII. Employee Referral Program	41

CARRIZO HANDBOOK ACKNOWLEDGMENT and WRITTEN AUTHORIZATION FOR WAGE DEDUCTIONS.....42-43

APPENDIX

- I. United States Department of Labor: Employee Rights Under the Family and Medical Leave Act

*****Certain policies and procedures related to Law, Operations, EH&S, and Information Technology department matters are maintained by their respective departments and may not be included in their entirety in the Carrizo Policy and Programs Handbook. These policies and procedures are available on the Company intranet or by request to department management.***

INTRODUCTION

Welcome to Carrizo Oil & Gas, Inc. (“Carrizo” or the “Company”)! The hard work and dedication of our staff have been key factors in the Company’s success since our founding in 1997. We are pleased you have joined our team.

This Handbook is designed to acquaint you with Carrizo Oil & Gas, Inc. and to provide you with general information about working conditions, compensation practices, benefits, standards of conduct, and other policies and programs applicable during your employment with Carrizo. It describes many of the policies and programs applicable to you as an employee or, as applicable, a contractor, consultant, independent contractor, temporary employee or contract employee of Carrizo and Carrizo’s responsibility as an employer. One of our objectives is to provide a work environment and Company culture that is conducive to both personal and professional growth. You should read, understand, and comply with all provisions of this Handbook during your service with Carrizo that are applicable to your situation and responsibilities with the Company.

The information contained in this Handbook applies to all full-time employees and, in many instances, to contractors, independent consultants, contract employees and temporary staff working for Carrizo. When we use the term “employee” in this Handbook, we are referring to full time employees, and when we use the terms “personnel”, “Company personnel” or “staff”, we are referring not only to full time employees but all other individuals employed by Carrizo in whatever capacity, including contract employees, independent contractors, temporary workers, etc. If you are unclear whether a certain section of this Handbook is applicable to you and your situation, please ask your supervisor or the Human Resources department for clarification prior to relying on any of its provisions and the programs described herein. This Handbook provides information and guidelines and it is not intended to be comprehensive or to address all possible applications of, or exceptions to the Company’s policies, programs and procedures. The language used in the Handbook and any verbal statements made by management are not intended as or do not constitute a contract of employment, either specific or implied, nor the guarantee of employment for a specific duration or any specific terms or conditions.

No Handbook can anticipate every circumstance or question about policy. The policies, procedures, programs, practices, and benefits described herein are subject to change at the sole discretion of the Company. Carrizo reserves the right to change, modify, or rescind any of its policies, programs, procedures, practices, and benefits, whether described within this handbook or elsewhere, at any time, with or without advance notice. When required by applicable law, the Company will notify employees of significant changes when they occur. If you have questions about any policy, program, procedure, practice or benefit, and its applicability to you and your situation or terms of employment, please ask your supervisor or Human Resources. Additionally, Carrizo maintains complete copies of all policies, programs and procedures on the Company intranet related to Human Resources, Law, Operations, EHS, Information Technology, and Accounting and Finance departments that may not be covered in this Handbook, but are relevant and important.

This Handbook supersedes and replaces any and all previous versions and Human Resources related policies. You will be asked to review and acknowledge the policies in this Handbook upon commencement of employment and on a yearly basis to ensure your understanding and agreement to comply with all policies or policy changes.

POLICIES, PROCEDURES, AND GUIDELINES

At-Will Employment

Your employment with Carrizo is “at-will”. As an at-will employee, you have not entered into a contract regarding the duration of your employment, are not subject to compulsory labor, which means you are free to terminate your employment with the Company at any time, with or without reason, warning or advanced notice. Likewise, the Company, in its discretion, has the right to provide disciplinary action up to and including suspension, transfer, demotion, and termination at any time, with or without reason, warning, or advanced notice as long as not otherwise prohibited by law. As provided in the Handbook Acknowledgment, nothing in this Handbook creates or is intended to create a promise or representation of continued employment.

Equal Employment Opportunity (EEO)

Carrizo provides equal employment opportunities to all employees and applicants without regard to race, color, religion, gender, gender identity or expression, national origin, age, disability, genetic information, pregnancy, marital status, sexual orientation, or status as a veteran, and any other characteristic protected under federal, state, or local law. The Company complies with applicable state and local laws governing non-discrimination during employment in every location in which the Company has operations and employees. This policy applies to all terms and condition of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer to another department or location, leaves of absence, compensation and training.

Americans with Disabilities Act (ADA)

The Americans with Disabilities Act of 1990, as amended, protects qualified applicants and employees with disabilities from discrimination in hiring, promotion, discharge, pay, job training, fringe benefits, classification, referral, and other aspects of employment on the basis of disability. The law also requires that covered entities provide qualified applicants and employees with reasonable accommodations that do not impose undue hardship to the Company. A reasonable accommodation is any change in the work environment or in the way a job is performed that enables a person with a disability to enjoy equal employment opportunities.

A “qualified disabled person” is defined as one who, with reasonable accommodation, can perform the essential functions of the job. Disabled persons will not be disqualified simply because they may not be able to perform tasks that bear only a marginal relationship to a particular job.

Employees that require an accommodation must inform Human Resources that there is a need for an adjustment or change at work for a reason related to a medical condition. The request for accommodation must include a written description of the requested accommodation, restrictions, duration needed, but must not include the diagnosis of the disability or medical condition by a licensed physician. If needed, Human Resources may request additional information from the physician directly. Human Resources will work with the employee’s direct management to respond promptly and to the best of its ability to reasonably accommodate the needs of the employee.

Carrizo is also committed to not discriminating against any qualified employees or applicants because they are related to, or associated with, a person with a disability. The Company will follow any state or local law that provides individuals with disabilities greater protections.

This policy is neither exhaustive, nor inclusive. Carrizo is committed to taking all other actions necessary to ensure equal employment opportunity for persons with disabilities in accordance with all applicable federal, state, and local law.

Anti-Harassment Policy

As an equal opportunity employer, the Company believes in an environment free of harassment. All personnel decisions, including, but not limited to, hiring, promotion, demotion, transfer, recruiting, staff reduction, termination, rates of pay, and selection for training shall be made within the guidelines of applicable governing agencies and laws.

Carrizo maintains a working environment that encourages mutual respect and promotes respectful and congenial relationships between all Company personnel that is free from all forms of harassment of any Company personnel or applicant for employment by anyone, including supervisors, co-workers, vendors, contractors or others with whom the Company does business. Harassment in any manner or form is expressly prohibited and will not be tolerated by Carrizo. The term "harassment" includes harassment based on any category protected by federal, state, or local law, which may include, but is not limited to, unwelcome slurs, jokes, verbal, written, graphic or physical conduct relating to an individual's race, color, religion, gender, gender identity and expression, national origin, age, disability, genetic information, sexual orientation, or status as a veteran, or any other characteristic protected under federal, state, or local law. Carrizo's prohibition on harassment is not, however, limited to conduct directed at legally protected characteristics and extends to all inappropriate or disrespectful conduct or behavior in the workplace.

Carrizo's management is committed to appropriately addressing complaints of harassment at all levels within the Company.

Reported or suspected occurrences of harassment will be promptly investigated. Following an investigation, the Company will take any necessary and appropriate disciplinary action. All Company personnel are expected to cooperate with a formal investigation. Refusing to cooperate or not providing accurate or complete information requested may be subject to disciplinary action.

Carrizo prohibits any acts of retaliation against anyone because such individual has made a complaint of harassment or has cooperated in a formal investigation.

Sexual Harassment

For the purposes of this policy, sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when, for example (i) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, (ii) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or (iii) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Sexual harassment may include a range of behaviors and may be between individuals of the same gender or opposite gender. Depending on the circumstances, these behaviors may include, but are not limited to, unwanted sexual advances or requests for sexual favors, sexual jokes and innuendo, verbal abuse of a sexual nature, commentary about an individual's body, leering, catcalls or touching, insulting or obscene comments or gestures, display or circulation in the workplace of sexually suggestive objects or pictures (including an e-mail or text messaging), and other physical, verbal, or visual conduct of a sexual nature.

Other Forms of Harassment

The term "harassment" may also include verbal, physical conduct, or non-verbal (visual), which has the potential for humiliating or embarrassing any person performing or engaging in work for Carrizo, directly or indirectly. This policy also prohibits behavior such as disturbances, tormenting actions, incursions, or

hostility consistent with rude, inflammatory, or abusive verbal, written or physical attacks, which is considered “bullying”. Carrizo considers “bullying” a form of harassment whereby an individual uses force, threats or coercion to abuse, intimidate, isolate, or aggressively dominate others, with or without regard to any characteristic protected under federal, state, or local law.

Examples of behavior Carrizo considers bullying include, but are not limited to:

- **Verbal Bullying:** slandering, ridiculing, or maligning a person or his/her family; persistent name calling which is harmful, insulting, or humiliating, using a person as the center of jokes, abusive, and offensive remarks. Persistent singling out of one person in meetings or in written communications. Frequent shouting, raising voice at an individual in public or in private. Public humiliation or reprimands in any form. Constant criticism on matters unrelated or minimally related to the person’s job performance or duties.
- **Physical Bullying:** pushing, shoving, kicking, tripping, assault, or threat of assault, inflicting damage to a person’s work area or property, or creating a work conditions or environment that could cause physical harm to an individual.
- **Indirect Bullying:** non-verbal, threatening gestures, glances which can convey threatening messages, deliberately sabotaging an individual’s work. Not allowing an individual to speak or express themselves (i.e. ignoring or interrupting). Spreading rumors or gossip about an individual within the workplace or through other modes of communication such as social media. Encouraging others to disregard a supervisor’s instructions. Manipulating the ability of someone to do their work (i.e. overloading, eliminating work unnecessarily, withholding important information, assigning meaningless tasks, setting deadlines that are unreasonable). Deliberately excluding an individual or isolating them from work-related activities (ex. meetings, important emails, etc.).

Any form of harassment, either direct or indirect, that creates an intimidating, hostile, or offensive work environment, unreasonably interferes with an individual’s work performance, or otherwise adversely affects an individual’s employment opportunities is strictly prohibited. The Company expects all staff will be treated with dignity and respect and will not tolerate this behavior by any Company personnel at any level in the Company.

Complaint/Reporting Procedure

The Company provides all Company personnel with various methods for reporting incidents of alleged harassment. Any Company personnel who feel harassed or discriminated against, or who are a bystander to an incident of harassment or discrimination are encouraged to immediately inform the alleged harasser that the behavior is unwelcome. In some instances, the person is unaware that his/her conduct is offensive; and when so advised may willingly correct the conduct so that it does not reoccur. If the informal discussion with the alleged harasser is unsuccessful in remedying the problem or if you do not feel comfortable with such an approach, you should immediately report the conduct to your immediate supervisor, Human Resources, or the independently operated Compliance Employee Report Line: 1-844-527-0537 or <http://cerl.ethicspoint.com>. The report should include all facts available to you regarding the alleged harassment, discrimination, illegal, or unethical conduct.

(a) Confidentiality

All reports of alleged harassment or discrimination will be treated seriously. However, absolute confidentiality is not promised nor can it be assured. The Company will conduct an investigation of any complaint, which may require limited disclosure of pertinent information to certain parties, including the alleged harasser.

(b) Investigation Procedure

Once a complaint is received, Human Resources will begin a prompt and thorough investigation. The investigation may include interviews with all involved individuals, including the alleged harasser, and any persons who are aware of facts or incidents alleged to have occurred. If a complaint of harassment is raised by a third party against any Carrizo personnel, Human Resources should be immediately informed.

Once the investigation has been completed, a determination will be made regarding the validity of the allegations. If it is determined that a violation of this policy has occurred, prompt, remedial action will be taken. This may include some or all of the following steps:

- Restoration of any lost terms, conditions or benefits of employment to the complaining employee, if applicable.
- Discipline of the harasser, which may include written disciplinary warnings, suspension, transfer, demotion, or termination.
- Counsel to all parties regarding confidentiality of the investigation and retaliation against the person reporting the concern, witnesses involved in the investigation, or alleged harasser. Any direct or indirect retaliation will not be tolerated.

If a vendor, customer, or other affiliate is found responsible for harassment or discrimination, Carrizo will take appropriate action to stop the alleged conduct with appropriate Company management involvement and resolution.

Duties of Staff and Supervisors

The Company strives to maintain a lawful, pleasant work environment where all Company personnel are able to effectively perform their work without interference of any type and requests the assistance of all Company personnel in this effort.

All staff of Carrizo is personally responsible for assuring that a workplace free of harassment and discrimination is maintained. Any party may file a harassment complaint regarding incidents experienced personally or incidents observed in the workplace. All Company personnel are responsible for notifying their manager or Human Resources of incidents of harassment or discrimination they have witnessed, feel they have been a recipient of, or have been informed of by other Company personnel. Company personnel found in violation of this policy by not reporting issues or cooperating in good faith with an investigation will be disciplined, up to and including termination.

When a manager or supervisor becomes aware of conduct that may violate this policy, the manager or supervisor is responsible for preventing and discouraging any further prohibited conduct. If a complaint is raised, supervisors and manager are to act promptly to notify Human Resources of the concern so an investigation may be conducted. If a supervisor or manager fails to follow this procedure by not reporting serious issues that are brought to their attention or does not cooperate with an investigation; they not only jeopardize the work environment and morale, but could also expose the Company to legal liability. Such behavior will be subject to disciplinary action up to and including termination.

Workplace Violence Prevention

Weapons

Carrizo prohibits anyone – Company personnel, clients, vendors, suppliers, visitors or contractors (excluding authorized security personnel) – to bring or possess firearms (including handguns, regardless of any authorized permit(s), explosives or any dangerous weapons or objects (including knives with blades longer than 3.5”) while on Company premises or at Company-sponsored events. The Company reserves the right to conduct searches when there is reason to believe that a person is in possession of a firearm, explosives or any other weapon, device, instrument, substance or object that may be capable of producing bodily injury or death.

Company premises include, but are not limited to, Company offices, Company-owned, rented/leased property including vehicles and living quarters. These guidelines also apply to Company personnel when they are at a vendor’s or service provider’s property.

In accordance with the provisions of Texas law (S.B. 910), this Policy does not prohibit individuals who hold a license to carry a handgun under Texas law, who otherwise lawfully possess a firearm, or who lawfully possess ammunition from keeping a firearm or ammunition in a locked, privately owned vehicle in Company parking garages and parking lots at the Company's offices. This exception does not apply to any Company office or workplace which is located on a property that is subject to a valid, unexpired oil, gas, or other mineral lease, or surface use agreement that contains a provision prohibiting the possession of firearms on the property in which case the possession of a firearm, regardless of whether you hold a valid permit, is strictly prohibited in accordance with such lease or surface use agreement while on such property.

Violation of this policy will be dealt with in accordance with the Company's disciplinary procedure. Depending on the seriousness of the offense, it may amount to gross misconduct and could result in termination or the filing of appropriate criminal or civil charges. Violations by non-staff will result in their immediate removal from Company premises and may result in the filing of appropriate criminal or civil charges.

Workplace Violence by Non-Employees

Carrizo is committed to preventing workplace violence and maintaining a safe and secure work environment for all Company personnel, clients and visitors. The Company strictly prohibits any non-employee on Company premises or engaging in Company-related activity from behaving in a violent or threatening matter. Carrizo has adopted the following guidelines to deal with intimidation, harassment or other threats of (or actual) violence that may occur during or after business hours or on its premises. The Company reserves the right to prosecute any acts of violence or potential violence that violate this policy to the fullest extent of the law.

Workplace violence is defined as any act, behavior or statement, either oral or written, that a reasonable person would interpret as aggressive, intimidating, harassing or unsafe and carries an expressed or implied intent to cause harm to any Company personnel or to Company property. Examples of such conduct shall include, but are not limited to:

- Causing physical injury to another person;
- Threatening, physically aggressive, or violent behavior or remarks, such as intimidation of or attempts to instill fear in others; verbally or through written communication or social media.
- Other behavior that suggests a propensity towards violence, which can include belligerent speech, excessive arguing or swearing, or other conduct that may lead the listener to fear offensive or harmful contact;
- Any substantial threat to destroy or the willful destruction of, or attempt to destroy or vandalize property;
- Defacing Company property or causing physical damage to Company premises;
- Bringing weapons or firearms of any kind on Company premises or while engaging in Company-related activity (with the exception of authorized security personnel);

- Committing acts motivated by, or related to, sexual harassment or domestic violence.

Domestic Violence, Sexual Assault, Stalking, and Dating Violence Concerns

Any employee should notify the Vice President of Human Resources if he or she has obtained a restraining order that is in effect or if a potentially violent non-work-related situation exists that could result in violence in the workplace. The Company may request a copy of the restraining order and may work with the employee to develop a workplace safety plan, if needed, to protect the employee and others in the workplace. In addition, the Company will be able to make the employee aware of other Company policies and resources that may be of assistance to the employee, including the Company's Employee Assistance Program (EAP).

Employee Assistance Program (EAP)

The Company offers an EAP for use by employees. Any employee who believes that he/she may have a problem that could lead to violent behavior is encouraged to use the EAP, which is a professional, confidential counseling service that can assist with counseling sessions and developing action plans. The Company's EAP is accessible to all employees and contact information may be found on the Company intranet or by request to Human Resources.

Reporting

If any Company personnel observes or becomes aware of any of the actions or behavior by any Company personnel, consultant, client, visitor, or anyone else, the person must notify his or her supervisor, who will notify Human Resources and/or manager immediately.

Investigation and Corrective Action

All reports of workplace violence will be taken seriously and will be investigated promptly and thoroughly. In appropriate circumstances, the Company will inform the reporting individual of the results of the investigation. To the extent possible, the Company will maintain the confidentiality of the reporting person and of the investigation. The Company may need to disclose results in appropriate circumstances in order to protect individual safety. The Company will not tolerate retaliation against any Company personnel who make a report of workplace violence in good faith.

If the Company determines that workplace violence has occurred, the Company will take appropriate corrective action and will impose discipline up to and including termination upon offending employees. If the violent behavior is that of a non-employee, the Company will take appropriate corrective or legal action in an attempt to ensure that such behavior is not repeated. Security measures will be implemented if necessary.

Drug and Alcohol Policy

The use, manufacture, purchase, sale, offer for sale, transportation, distribution or possession of any illegal drug or controlled substances on Company premises is strictly prohibited, as is being under the influence of illegal drugs, controlled substances or alcoholic beverages upon arrival/return to work, while working or on duty, or while on Company property or in a Company owned, leased or rental vehicle. Violation of this policy is considered gross misconduct and may result in immediate termination.

Any person who has information concerning possible violations of the Company's drug free workplace policy should contact their immediate supervisor or Human Resources. Similarly, if a supervisor suspects that any staff member has violated the Company's drug-free workplace policy, the supervisor should immediately contact Human Resources (and the person's employer in the case of contractors). An employee's legal possession or use of prescription medication shall not constitute a violation of this

policy, but employees must provide written documentation from a medical physician to Human Resources if they are taking prescription medication that may impair their ability to operate a vehicle or machinery or otherwise perform their jobs.

Carrizo reserves the right to conduct an investigation if there is a suspected violation of this policy. Such investigation may include a search of all Company property, including locked desks and lockers, and no Company personnel should have any expectation of privacy in such areas. Failure to cooperate with the Company's investigation may result in disciplinary actions up to and including dismissal.

The Company encourages employees with drug or alcohol abuse problems or addiction to seek services through the EAP, Family Medical Leave Act protection (FMLA), and obtain rehabilitation treatment. However, the fact that an employee requests EAP support after having tested positive for drugs or alcohol or otherwise violating the Company's drug-free workplace policy shall not excuse the employee from the policy violation and appropriate discipline shall be imposed. The Company reserves the right to terminate employees who, because of their current use of alcohol or drugs, are unable to satisfactorily perform the essential functions of their job, or cannot perform those duties in a manner which would not endanger his/her health or safety or the health or safety of others. However, if an employee discloses a substance abuse problem, a request for rehabilitation leave and FMLA, Short-Term Disability, with valid documentation from a licensed physician, in good faith, prior to the discovery of any violation of the policy will not be disciplined if seeking legitimate treatment. However, prior to returning to work, valid documentation from a licensed physician will be required. Additional follow-up drug testing may be required for employees in safety sensitive positions.

Drug/Alcohol Testing

Drug and/or alcohol testing may be required in the following situations:

- Pre-employment/applicant testing
- Reasonable suspicion that any staff member is under the influence of alcohol or drugs while actively on duty, after an accident on Company property, vehicles, or machinery.
- Return-to-work after leave of absence

Disciplinary Action

The following may result in disciplinary action up to and including termination of employment:

- Company personnel who are convicted, plead guilty or no contest under a state or federal crime involving a controlled substance or alcohol, including driving while under the influence of alcohol, must notify their supervisor or Human Resources within five (5) days of the conviction. Failure to do so may result in disciplinary action, up to and including termination of employment. The Company reserves the right to take immediate disciplinary action, or terminate any consultant or independent contractor, if any such individual is convicted of a crime involving controlled substances or alcohol if the individual is in a safety sensitive position;
- Drug screenings results that are positive for prohibited drugs;
- Alcohol screening results that indicated an alcohol level at or above the blood alcohol concentration or greater as mandated by state law;
- Significant delay (within two (2) hours of request based on a random drug test or for reasons based on suspicion of use) or refusal to complete required drug/alcohol screening process; and

- Refusal to participate in or fail to successfully complete drug/alcohol rehabilitation program when required as a condition to return-to-work by management.

Tobacco Policy

The Company is committed to providing a safe and healthy work environment for all Company personnel and as such, it recognizes the health and environmental concerns associated with tobacco use. Therefore, use of tobacco products (cigarettes, cigars, e-cigarettes, etc.) is prohibited in all work areas including common areas such as offices, conference rooms, stairways, and reception areas. Company personnel who smoke or use other tobacco products on Company premises may only do so in designated areas, and are further limited to two (2) breaks totaling no more than fifteen (15) minutes in duration daily.

Vehicle Policy

The purpose of this policy is to ensure the safety of those individuals who drive Company vehicles or rent them for business travel (collectively Company vehicle(s)) and to provide guidance on the proper use of Company vehicles. This policy applies to all employees whom Carrizo grants the privilege of operating a Company vehicle. It is the driver's responsibility to operate the vehicle in a safe manner to prevent injuries and property damage. As such, the Company endorses all applicable state motor vehicle regulations relating to driver responsibility. The Company expects each driver to drive in a safe and courteous manner pursuant to the following safety rules.

Driver Guidelines and Reporting Requirements

Company vehicles are to be driven by authorized employees only. Spouses, family members, friends, and non-employees are not authorized to drive the Company vehicle at any time.

Motor vehicle records (MVR) will be obtained for all drivers prior to employment and no less than every twelve (12) months during their employment period, consistent with the provision of the Company's General Liability (GL) insurance policy. A driving record that fails to meet the criteria stated in this policy or GL insurance provisions, or is considered to be in violation of the intent of this policy, will result in a loss of the privilege of driving a Company vehicle and may be subject to a job transfer, demotion, or termination if driving is a key duty of employment. Any employee who has a driver's license revoked or suspended shall contact their supervisor and Human Resources within twenty-four (24) hours of such activity.

All accidents in Company vehicles, regardless of severity, must be reported to law enforcement and the Company (including the employee's supervisor, Human Resources, Risk Management, and EH&S). Accidents are to be reported immediately; either from the scene or as soon as possible.

Accidents that occur in a personal vehicle while on Company business must follow these same accident procedures. Employees should complete a 'Report of Incident' form for any accident, which can be located on the Company's website or can be provided by members of the EH&S department.

Any employee involved in an accident while driving or as a passenger in a Company vehicle may be subject to a drug screening immediately following the accident, and no later than two (2) hours from time of accident, if there is reasonable suspicion the employee was under the influence and this caused the accident.

Accidents involving the personal injury of the employee or passenger must be reported to the employee's Supervisor, Human Resources, EH&S, and Risk Management as soon as possible.

Drivers must report all ticketed violations received during the operation of a Company vehicle, within twenty-four (24) hours to the supervisor and Human Resources.

Passengers are generally limited to those individuals who need to ride in the vehicle to conduct Company business, such as other employees, independent consultants, vendor representatives, etc.

Use of a Company vehicle is limited to commuting to the primary work location/route during scheduled work hours, when on-call, or during call-out. The Company vehicle should not be used for personal business such as traveling on days off, transporting an RV, boat, personal trailer, moving personal belongings, etc.

Driver Responsibilities

- Each driver must provide Human Resources with a copy of his/her current driver's license upon first receiving authority to use the Company vehicle and whenever the license is renewed.
- Drivers shall at all times during operation of a Company vehicle have a valid driver's license on their person and shall ensure that the vehicle's registration and proof of insurance are in the vehicle.
- Eligible drivers are responsible for driving their Company-assigned vehicle in a safe and reliable manner. Employees must know and abide by all driving laws in all areas where they operate the Company vehicle.
- All traffic, parking and toll violations are the responsibility of the driver and not the Company.
- Employees must maintain a valid driver's license for the state in which they reside. If for any reason, an employee's driver's license is revoked, suspended or restricted, it is mandatory that the supervisor and Human Resources be notified within twenty-four (24) hours.
- All drivers and passengers operating or riding in a Company vehicle must wear seat belts, even if air bags are available.
- The possession or consumption of alcohol while driving (or as a passenger of) a Company vehicle is strictly prohibited. Drivers who possess or consume alcoholic beverages within or while driving the vehicle will be subject to disciplinary action, which may include termination of employment. See the Company's Drug and Alcohol Policy for more details.
- Illegal possession, use or distribution of drugs in or from the Company vehicle is prohibited and may be cause for immediate termination of employment or other disciplinary action, which may include termination of employment. This includes over-the-counter or prescription medications that may impair the ability to drive safely. See the Company's Drug and Alcohol Policy for more details.
- Texting via a smart phone or emailing via a computer or smart phone while driving is strictly prohibited while driving a Company vehicle and is a violation of state law. Drivers need to be aware when the use of an electronic device creates a distraction from safe driving, including temporarily pulling off of the road to safely continue/finish a conversation. Whenever possible or necessary, drivers should complete calls while the vehicle is parked. Drivers should have a heightened sense of awareness during inclement weather and in construction or school safety zones. Further, Company prohibits the use of any communication or digital devices while driving within an active school zone and in some states it is illegal to do so.
- No driver shall operate a Company vehicle when his/her ability to do so safely has been impaired by illness, fatigue or injury.

- Drivers shall not operate a Company vehicle when the condition of the vehicle makes it unsafe or unlawful to do so. By way of illustration and not limitation, a driver should not operate a Company vehicle when the brake lights fail to function properly or the tires have become bald.
- Drivers are responsible for the security of Company vehicles, equipment assigned to them (such as tools laptops), and any personal belongings. These items should not be left in any vehicle while unattended, when possible. The vehicle engine must be shut off, ignition keys removed, and vehicle doors locked whenever the vehicle is left unattended for any period of time.
- Duplicate copies of keys will be secured at the field office. Drivers should not have duplicate keys made nor should they provide a non-employee with a copy of the keys to a Company-issued vehicle.
- Head lights shall be used when dark, during inclement weather or at any time when a distance of 500 feet ahead of the vehicle cannot be clearly seen.

Withdrawal or Suspension of Company Car Privilege

The privilege of driving a Company vehicle may be suspended or withdrawn for any reason including, but not limited to misuse of the vehicle, vehicle accident, avoidable damage to vehicle, or failure to comply with the rules and procedures stipulated in this policy. Each situation will be evaluated by management based on the circumstances of the situation and previous incident, if any.

A driving record which does not meet the minimum requirements of the Company's liability insurance policy may be grounds for rescinding offer of employment or disciplinary action up to and including termination. Examples include, but are not limited to, the following:

- Driving with an expired or invalid driver's license
- Driver under the age of twenty-one (21)
- Three (3) or more moving violations within a three (3) year period
- Three (3) or more recordable accidents within a three (3) year period
- Any combination of three (3) moving violations or recordable accidents within a three (3) year period
- One or more major violations within a five (5) year period (see below)
- Not reporting an accident or related injury in which the Company vehicle was involved

Major Violations (as stated within the Company's Liability Insurance policy)

- Driving while intoxicated or under the influence of intoxicating liquor or any drug (DUI, DWI)
- Possession of an open alcoholic beverage container
- Disregarding or evading a police officer
- Driving on a suspended or revoked license due to driving record
- Driving on the wrong side of road
- Failure to comply with implied consent law
- Felony involving a motor vehicle
- Hit and run, eluding, or leaving the scene of an accident
- Vehicular assault or homicide
- Illegal passing resulting in an accident
- Manslaughter with or without gross negligence
- Possession of a controlled substance

- Reckless or careless driving or racing other vehicle
- Speeding over thirty (30) miles over the posted speed limit
- Filing a false vehicle report (accident or violation)

If an eligible driver is on Long-Term Disability or is under a physician's care that prevents the employee from driving for medical reasons, his/her vehicle maybe re-assigned to another driver. If an employee returns to work, the driver may be assigned the same or another vehicle.

Accident Procedures

The employee is responsible for providing pertinent, accurate, and complete information and notification to all parties:

Call for emergency medical care, if necessary. Contact law enforcement. All accidents, even if minor, must be reported to law enforcement and the Company. If possible, take photographs of the accident, vehicles involved, and documentation provided by driver(s), occupants and witnesses, if applicable. Complete the 'Report of Incident'. Keep a blank set of 'Report of Incident' in the vehicle at all times. The following information is required:

- Names and driver's license number of other driver(s) and occupants.
- Contact information and addresses of driver(s), occupants, witnesses
- Vehicle's license plate number(s)
- Vehicle insurance information of other driver(s), including name of insurance company, agent's name (if available), telephone number and policy number.
- Employer of other driver(s)
- Make, model and year of other vehicle(s)
- Date and time of accident
- Road and weather conditions at time of accident
- Accident or case number recorded by law enforcement

Express no opinion as to who was at fault. Give no information except information required by law enforcement officers or medical personnel. Do not sign statements for anyone except an identified representative of the insurance company for the Company vehicle.

Provide the other parties with your name, address, driver's license number, and insurance information.

Report the accident to Supervisor, Human Resources, EH&S and Risk Management departments as soon as possible. Provide a copy of the accident report or your written description of the accident to both departments as soon as possible. Initial submission can be done via email or fax.

Law enforcement should conduct a formal accident review at each accident to determine cause and how the accident could have been prevented. Employees are required to obtain a copy of the accident report and case number.

If someone other than the assigned driver is driving the vehicle at the time of the accident, the employee will be considered financially responsible for all damages and repairs.

If a collision involves an unattended vehicle, you must contact law enforcement and attempt to notify the owner.

Vehicle Maintenance

Fuel and maintenance costs are paid for by the Company. Every driver of a Company vehicle is expected to maintain the assigned vehicle in a safe, clean operating condition. Maintenance schedules outlined in the vehicle's owner's manual should be followed. Particular attention should be paid to the maintenance requirements for keeping the warranty of the vehicle in effect.

Do not leave a Company vehicle at a service facility without a specific quote of services to be performed and anticipated costs. It is the employee's responsibility to contact their supervisor for pre-approval of any repairs outside of routine oil/fluid changes and tire maintenance.

Each driver will be issued a Company credit card, or "Fleet Card," in order pay for fuel and maintenance. The Fleet Card should never be used for any purchases unrelated to fuel or maintenance. The card balance will be paid by the Company and not by the driver. All documentation relating to maintenance on the Company vehicle will be provided timely to the employee's immediate supervisor.

Vehicle Theft or Vandalism

If a Company vehicle is stolen, report the theft immediately to local law enforcement and your supervisor. Obtain a copy of the police report filed. Maintain one copy for your personal files and submit another to the Company.

Any attempted break-in or theft of items from a Company vehicle must be reported to local law enforcement. The Company requires that the following information be reported:

- The name, badge and precinct number of the law enforcement officer responding to your call.
- A list of any company-equipment that was stolen.
- The date, location and time of where the theft occurred.
- A copy of the police report and case number should be forwarded to the Company.

Use of Personal Vehicle or Rental Vehicle While on Company Business

The same provisions and expectations that apply to personnel assigned to a Company vehicle also apply to personnel traveling on Company business in their personal vehicle (excluding routine commute to primary work location) or a vehicle from a rental car provider.

- If you are required to travel for Company business, attend training, meet with service providers, landowners, etc. over three hundred (300) miles one-way, you are encouraged to rent a vehicle. If you are traveling to locations accessible by air, you are encouraged to arrange for airfare, rental car, taxi, etc. versus driving a personal vehicle.
- Excluding the need to travel due to an emergency or travel on short notice at the request of the Company, you are encouraged to rent a vehicle versus driving a personal vehicle. Employees are responsible for damages or accidents under their personal insurance policy if they choose to drive their personal vehicle.
- Carrizo's Risk Management department recommends declining the additional insurance(s) offered by rental car providers. Employees are covered under the Company's auto liability policy when renting a vehicle on Company business.

Violation of Policy

Violation(s) of the Vehicle policy within a period of twelve (12) months may lead to disciplinary action, up to and including termination of employment and may result in the following actions steps:

- First Offense – verbal or written warning regarding action/inaction involving personal driving record or damage to Company vehicle that is deemed a recordable accident
- Second Offense - written warning and completion of a mandatory defensive driving course within two weeks of second offense.
- Third Offense – written warning and suspension of use of Company vehicle for six (6) months or more, depending on the nature of incident. The employee will be required to drive their personal vehicle and maintain valid vehicle car insurance.
- Fourth Offense – Permanent revocation of privilege to use a Company vehicle or potential termination of employment.

Company-Provided Lodging/Housing Policy

Company housing, whether deemed a “bunkhouse” in the field or a Company-leased dwelling, may only be used as a living accommodation during a scheduled work week, work hours or period of employment and may not be used for any other purpose. These premises will not be used for unlawful acts. Such accommodations are property of the Company, and the occupants are given only authorization to be on the property for temporary housing purposes. Only pre-authorized Company personnel are permitted to utilize Company housing.

The Company expects responsibility, accountability and maturity from all occupants. Occupants of the housing must conduct themselves in an orderly and respectful manner, respectful of the rights, safety and privacy of others. Occupants are expected to keep the facilities clean, treat the property with care, and avoid conduct or actions that offend or disturb others. Any occupant who exhibits offensive behavior, misconduct, excessive noise or creates a public disturbance will be subject to disciplinary action which may include termination of employment. The company reserves the right to deny or terminate housing at any time, with or without advance notice.

Common Areas — Common areas include any part of the building or grounds outside of an individual sleeping room. These areas are for the use and enjoyment of all the occupants. Reasonable courtesy and respect for others must be exercised when using common areas.

Cleaning — The common areas should remain clean and organized at all times. The Company will provide a cleaning service at regular intervals (at the field locations only); however, all occupants are expected to clean up after themselves at all times. Each occupant is expected to clean up after using the common areas or any common dishes.

Noise — Occupants are expected to keep noise to a minimum and respect the varied schedules of all occupants.

Smoking — Smoking is not allowed in the Company-provided facilities.

Alcohol — The possession or consumption of alcohol is strictly prohibited on Company property, including lodging facilities, at all times. Occupants who possess or consume alcoholic beverages on the property will be subject to disciplinary action, which may include termination of employment. See the Company’s Drug-Free Workplace Policy for more details.

Drugs — Illegal possession, use or distribution of drugs or the misuse or distribution of medication, including prescription medication, is prohibited and may be cause for immediate termination of employment or other disciplinary action. See the Company’s Drug-Free Workplace Policy for more details.

Harassment or Abusive Behavior — Harassment, fighting, or any other abusive behavior or language will not be tolerated. Occupants will be subject to disciplinary action which may include termination of employment.

Horseplay — Excessive or out of control horseplay will not be permitted at any time. Occupants engaged in horseplay that affects the safety and wellbeing of other occupants will be subject to disciplinary action which may include termination of employment.

Weapons — Weapons, firearms, explosives and other dangerous or unauthorized materials are not allowed to be used or stored in Company housing.

Occupancy — Occupancy is limited to those occupants assigned to the lodging facility. Overnight guests are not allowed.

Gatherings — Parties or loud gatherings in or around the lodging facility are prohibited.

Property Damage — An occupant who causes damage to the property/facility and/or its contents will be held financially accountable. Occupants must immediately report any damage to his/her supervisor and Human Resources.

Accident/Injury — Occupants must immediately report all accidents and injuries that occur within the facility to Human Resources and EH&S. Occupants must cooperate with any accident investigation.

Housing Modifications — Occupants shall not modify or alter the lodging facility, internally or externally. By way of illustration and not limitation, occupants shall not change light fixtures, modify plumbing or electrical installations, or erect television dishes or antennae. Should an occupant wish to modify the lodging facility in some manner, the individual must seek written authorization from the IT/Facilities Department.

Utilities — Occupants may not modify, install, or otherwise procure any utility, subscription, or contracted service to the lodging facility. This includes, but is not limited to: private telephone lines, internet connects, and satellite television. The Company's 'Acceptable Use Policy' is in effect while staying in corporate housing.

Repairs — If an occupant believes that repairs to any part of the lodging facility are necessary, the occupant should immediately notify the IT/Facilities Department of the needed repair.

Infestations — Occupants shall immediately report to the IT/Facilities Department any infestations of pests or insects.

Keys and Locks — The Company will provide each occupant with a key to the Lodging facility. Occupants are not allowed to make additional copies of the key. Any lost or stolen key(s) must be immediately reported to the IT/Facilities Department. Any occupant who loses a key may be charged a reasonable fee for the key replacement or that of the lock itself. Keys should not be shared with non-occupants for any reason. It is the responsibility of the occupants to ensure that the external door(s) locked when leaving the Lodging facility.

Removal of Property - Occupants are not allowed to remove any furniture, appliances or other materials from the lodging facility.

Fire or Security Devices - Occupants shall not tamper with the fire or security alarm systems.

Personal Property — Do not store cash or items of value in your room. The Company is not responsible for loss or damage to any personal items.

Room Damage — Each occupant is responsible for maintaining his or her own room. Occupants will be charged for damages such as holes in the walls, ceilings, soiled or stained carpet beyond normal wear/use, etc.

Completion of Occupant's Stay

An occupant's key must be returned to the office manager at the end of the occupant's stay in the lodging facility. The Occupant is responsible for cleaning and organizing living quarters prior to departing. The Company is not responsible for any personal property that an occupant leaves in the lodging facility after the occupant's stay.

Health, Safety and Security

Injuries sustained while at work must be reported to their supervisor, EH&S, and Human Resources. All Company personnel must report to his/her supervisor the existence of any safety or health hazard that they may observe. Everyone is responsible for his/her own safety as well as the safety of others in the work place. To achieve the Company's goal of maintaining a safe work place, everyone must be safety conscious at all times. All individuals on Company property or performing Company business are required to abide by the health, safety and accident policies published by the Company, as well as all applicable laws, rules and regulations pertaining to the Company's premises and or activity. To the extent of any apparent or presumed conflict between Company policies and procedures and relevant laws, rules and regulations, the relevant laws, rules and regulations should be observed.

Disaster Preparedness/Business Resumption

Although Carrizo will make every effort to maintain regular business hours on a consistent basis, there may be instances where conditions make it impossible to do so. These include, but are not limited to, severe weather, a declared state of emergency, utility disruptions, natural disasters or terrorist actions. In all cases, employees' safety will be a primary consideration.

Management will determine and facilitate the Company's emergency preparedness plan as appropriate. Human Resources are primarily responsible for communication efforts regarding emergency preparedness, business continuity, or business resumption.

Should an office closure occur, Human Resources will communicate any modified business hours or office closures via email, Carrizo intranet and/or the Company's main reception voicemail system. In the event that the Company cannot successfully communicate or notify employees of the office status, employees are asked to communicate directly with their supervisor and use their best judgment regarding their situation and ability to report to work.

The Company will consider the recommendation, advice or mandatory directives from applicable city government offices, the National Weather Service, official school district closure announcements, and official reports from local news outlets as it relates to the status of the city of Houston and surrounding areas as well our field offices.

Regional-based communication will be distributed via email to all employees in a timely manner. All information regarding an emergency closure, operating hours, transportation facts, safety issues, and general information will be communicate via email, Carrizo intranet, and will be used and updated regularly to keep employees notified of the emergency situations.

The Company reserves the right to make decisions regarding emergency closures, business continuity, or business resumption, with or without advance notice, that are believed to be in the best interest and the safety of all Company personnel.

Company Property

Security, policies, and procedures are in place to preserve and protect the Company and its personnel. All Company personnel's efforts and awareness are essential to an appropriate level of security. The Company reserves the right, consistent with applicable federal and state law, to inspect all of the Company's property to ensure compliance with the Company's rules, regulations, and applicable laws, without notice to any individual or in the individual's absence. Prior authorization must be obtained before any of the Company's property may be removed from the premises. The Company reserves the right, consistent with applicable federal and state law, to inspect all personal property of any Company personnel that is brought on Company property.

Visitors

Visitors, vendors and non-staff, except those conducting approved, pre-scheduled business with the Company, are not permitted into the areas in which the Company conducts business. All visitors and vendors are required to sign a visitor log with the receptionist, after which they should be escorted to their destination by the appropriate Company personnel that they are scheduled to meet. This is necessary for security and safety reasons.

Company and Confidential Data

Proprietary Company data includes, among other data, seismic and well data, standard operating procedures, financial reports and personnel information. This data should be secured at all times when not in use. Further, such data shall not be copied or distributed to any unauthorized persons.

It is the Company's position to respect individual privacy and to maintain confidential information and records. No private information, benefits, compensation, or personal data about an employee will be shared without the employee's consent, with the exception with those employees maintaining the data or with members of management having a legitimate, business need to be aware of such information/data. However, any personal information, personal computer usage (including websites visited) and communications (including emails, text messages and other electronic and non-electronic forms of communication) utilizing Company equipment or on Company premises may be subject to review and search by authorized Company personnel.

EMPLOYMENT AND PAY PRACTICES

It is the Company's intent to employ only authorized workers. All new hires must provide proof of identity and work eligibility in accordance with U.S. Citizenship and Immigration Services regulations. All new hires must complete and sign a Form I-9 and produce appropriate identification within three (3) working days of hire date. Failure to comply with this regulation by the Department of Homeland Security may result in termination of employment.

Staff Classifications

Full-Time Employees

Regular, full-time employees are employees scheduled to work a minimum of thirty (30) hours per week on a regular basis.

Part-Time Employees

Part-time employees are those employees who are scheduled to work less than thirty (30) hours per week on a regular basis. Carrizo does not currently provide a work schedule option to work part-time unless there is a medical necessity to work part-time, as authorized by a licensed physician and approved by Human Resources and applicable benefit plans. Requests to work part-time or on a reduced schedule will be reviewed on a case-by-case basis.

Temporary Personnel

There is no employment relationship between an independent contractor, consultant, intern, leased worker or temporary worker and the Company. These personnel are ineligible for the Company's employees' benefits or compensation plans.

- **Leased Workers:** Employed and paid by a third-party service company, or a professional employer organization (PEO), which leases the workers to the Company. However, the service company employs, maintains statutory obligations, and pays the worker per the terms of a Master Services Agreement (MSA). These companies provide specialized services such as drilling, completions, and other technical services based on the business need or to perform special projects for various clients.
- **Temporary Workers:** Employed by a temporary staffing agency who perform services for agency's client(s). Carrizo provides direction and management of the work. However, the agency employs, maintains statutory obligations, and pays the worker.
- **Interns:** Generally high school and college students who are receiving training and performing tasks; are either paid or unpaid; and receive credit for participation in an established internship program, if applicable. Interns are paid through a third-party payroll provider, similar to a temporary worker.
- **Independent Consultants/Contractors:** These individuals are self-employed and perform services for Carrizo under a Master Service Agreement or an Independent Consulting Agreement, which includes a Statement of Work that specifies the terms, work project(s), duration, and rate agreed to by Carrizo and Consultant. Independent Contractors/Consultants meet the criteria as defined by the Fair Labor Standards Act to include, but not limited to the following: must possess a specific, specialized skill set not already existing within the Company, performs work using independent judgment and determines the work schedule to perform work, can use personal

equipment and resources, has the right to hire additional staff, maintains required liability insurance. Independent consultants are responsible for filing quarterly taxes to the IRS and/or state, benefits, have no right or entitlement to compensation or incentive plans available to Carrizo employees. These individuals may be paid directly by Carrizo as a vendor or through a third-party payroll provider, similar to temporary employees.

Fair Labor Standards Act (FLSA) Classifications

Exempt Employee Classification

Employees whose positions meet specific tests established by the Fair Labor Standards Act (FLSA) and governed by the Department of Labor are exempt from overtime pay or are not required to work an exact amount of hours daily to be paid their bi-weekly salary. Executives, management, professional employees, and some administrative positions are typically designated as exempt. Exempt employees may be expected to use personal judgment to perform their job duties. This may require working outside of regular work hours based on department needs or may provide flexibility to work fewer hours in a given day. Exempt employees are paid regardless of the number of hours worked and are not eligible for any special compensation for working on scheduled days off or working over forty (40) hours in a work week. Additionally, pay is not deducted if an employee does not work a specific amount of hours in a work week. However, employees should work a consistent work schedule when possible.

Non-Exempt Employee Classification

Employees are designated as non-exempt based on the level of complexity of the position's duties, the amount of instruction received by their supervisor, and the amount of personal discretion they have to perform their work. Both salaried non-exempt and hourly non-exempt employees are covered by the overtime provisions of the Fair Labor Standards Act (FLSA) or applicable state law. Overtime must be pre-approved by the employee's supervisor. Non-exempt employees must be paid based on the amount of time worked weekly (rounded to the nearest fifteen (15) minute increment) and are eligible for overtime based on the FLSA and state wage and hour laws. Non-worked time does not count toward weekly overtime such as PTO, holidays, bereavement, civic duty, etc.

Pay Period

Pay periods are bi-weekly, and pay dates occur every other Friday. There are twenty-six (26) pay periods processed annually. Payroll deductions for benefits are withheld based on the monthly cost the employee is responsible for paying. As a result, these deductions are withheld over twenty-four (24) pay periods. The work week begins on Sunday at 12:00 AM and ends on Saturday at 11:59 PM.

Hours of Work

The regular scheduled workweek for all full-time employees consists of forty (40) hours, composed of five (5) consecutive eight-hour (8) work days, with a one-hour lunch break daily. Non-exempt employees are encouraged to take at least a thirty (30) minute lunch break. The lunch break must be uninterrupted from work. All employees are expected to maintain a regular, predictable work schedule to ensure consistency and coverage for the department. Work schedules for field Operations personnel will vary based on activity and business needs.

Time Records

Exempt, salaried employees are not required to record their daily attendance on timesheets with the exception of PTO, Bereavement, or Jury Duty in increments of four (4) hours or more.

However, non-exempt employees are required to document the hours worked at the beginning of the workday, lunch breaks, end of work day, and any PTO, Bereavement, or Jury Duty in increments of fifteen (15) minutes or more per pay period per the Department of Labor's Fair Standards of Labor Act (FLSA). Tampering with, altering, or falsifying time records, will result in disciplinary action, up to and including termination of employment.

Overtime Pay

The Company may require its non-exempt employees to work overtime in order to meet business demands. The Company provides compensation for all overtime hours worked by non-exempt employees in accordance with applicable state and federal law. In cases when overtime is not a result of a request from the Company or supervisor, the employee must receive approval prior to working overtime hours. Overtime worked to complete routine duties or tasks that could have been completed during the regular workweek is not appropriate and should be managed by the employee's supervisor. The supervisor requesting the non-exempt employee to work overtime must specify the approximate time required to complete task and specific work/project that demands overtime hours worked.

For purposes of determining which hours that constitutes overtime, only actual hours worked in a given workday or workweek will be counted. Hours not worked such as PTO or Holidays are not counted towards the calculation of overtime. The Company may at its discretion discipline an employee for unauthorized overtime work.

Holiday Pay

When a Company recognized holiday is observed on a scheduled workday and an employee is not required to work, the employee will be paid eight (8) hours of pay. These hours will not be counted as time worked for the purposes of calculating overtime.

In the event a non-exempt employee is required to work on a holiday, they will be paid eight (8) hours of holiday pay, plus all hours worked that day. These hours will be counted as time worked for the purposes of calculating overtime pay for all hours worked in excess of forty (40) hours in the same work week.

Inclement Weather

Regular scheduled hours of work that are lost due to weather or other emergencies, as declared by management, will be paid eight (8) hours of pay. These hours will not be counted as time worked for the purposes of calculating overtime.

'On-Call' Work

Certain non-exempt employees may need to work 'on-call' if it is a job requirement or may be requested by management to work 'on-call' for a designated period of time (specific start time and end time) during days off or after regular work shift/schedule from outside of the employee's primary work site. 'On-call' work includes requests for purposes of handling emergency situations, urgent work projects, or to complete a non-routine volume of work. The employee must be in proper physical condition and readily available to communicate with management or work remotely via computer at the manager's request. This time is compensated as straight-time hours worked and it must be added to other hours worked during the work week and for purposes of calculating overtime.

'On-call' work does not include: hours worked outside of the employee's primary work location for purposes of completing unfinished or routine work, if the employee has the potential to be contacted by management to perform work but is not contacted, is free to engage in personal activities, or is residing in

Company-provided housing but not contacted by management to complete a task. This time will not be considered hours worked or paid.

Exempt employees are not eligible for on-call compensation for hours worked outside of employee's primary work location or work site.

'Call-Out' Work

A 'call-out' is defined as a requirement for a non-exempt employee to return to a field location or office due to an unforeseen project or emergency situation after leaving the work location at the end of the employee's regularly scheduled shift and before the beginning of the employee's next scheduled shift, or during scheduled days off. 'Call-outs' do not include pre-arranged coverage for a colleague who is on PTO, if the employee reports to work early or works late.

Non-exempt employees requested to travel to and who works outside of their regularly scheduled shift are paid at the overtime rate (1.5x their hourly rate). 'Call-outs' will be paid at the overtime rate for hours worked plus transportation time to and from the work site or office. 'Call-out' hours are not added to the regularly scheduled hours worked or for the purposes of calculating overtime (i.e. these hours have already been designated overtime premium of 1.5x the hourly rate of pay).

Exempt employees are not eligible for 'call-out' pay for hours worked at the employee's primary work location or work site.

Compensatory Time-Off (i.e. 'Comp Time'):

Compensatory time-off is a practice of trading hours in exchange for working additional hours, without recording the extra hours or the time-off. The Company prohibits the practice. FLSA requires the maintenance of accurate time records for non-exempt employees. These laws are intended to protect these employees and ensure they are receiving overtime pay they are entitled. This does not apply to exempt employees who are expected to work the time necessary to complete work without any extra compensation pay or compensatory time off.

Payroll Deductions and Repayments at Termination

Federal and state laws require deductions from each employee's wages. Among these are federal, state, and local income taxes, and Social Security/Medicare taxes. Carrizo may also take deductions from employees' pay for elected Carrizo benefits premiums and 401(K) deductions.

Deductions are made at the time of termination if the employee has used more PTO than they have accrued (refer to the PTO Policy for further information). Deductions are also made at the time of termination if the relevant individual has other financial obligations owed to Carrizo per a separate promissory note, or for the fair-market value of any equipment not returned at time of termination (e.g., computer equipment, phones, tools, etc.). By signing the acknowledgement contained in this Handbook, as well as the annual re-acknowledgements, or the execution of documents relating to unfulfilled obligations owed (e.g., the provisions contained in promissory notes with the Company or in a Wage Deduction Form), the individual expressly consents to any balance owed to the Company being deducted from his or her final paycheck or invoice payment, or his or her agreement to directly repay the obligation within a specified time frame.

Garnishments and Liens

Carrizo is required by law to recognize certain court orders, garnishments, liens, and wage assignments. The Company may only deduct pay from an individual's compensation when obligated to do so by a

legitimate order, and will make reasonable effort to notify the individual prior to the first deduction. Garnishments cannot be terminated or modified by Carrizo by any means other than court order.

CONDUCT GUIDELINES

Performance Management

Supervisors and employees are strongly encouraged to discuss performance feedback and goals formally and informally. Full-time employees should receive an annual performance evaluation through a collaborative process that includes an employee self-evaluation and management assessment. The benefit to providing feedback to employees is to create an opportunity to discuss job tasks and expectations, reinforce positive attributes and results, and discuss methods for improving performance or skills, and to set individual and department goals. Employees who have not met expectations of their supervisor for their position may be given a Performance Improvement Plan with performance expectations and specific goals for accomplishing and sustaining specific areas for improvement.

Attendance

The success of the Company is dependent on continuous and consistent productivity of all staff. Consistent and regular attendance of all personnel is a minimum requirement of employment.

Employees are expected to maintain a typical schedule that consists of consistent start time, lunch break, and end time, but is subject to change based on business requirements and supervisor's request. Excessive, unexcused absences will not be tolerated. Employees are expected to report and remain at work for their entire work schedule, excluding meal periods or if required to leave on authorized Company business. Particularly in the case of non-exempt employees, late arrivals and early departures must be approved by the employee's supervisor. Failure to maintain reasonable attendance may lead to disciplinary action, up to and including termination of any individual, regardless of classification.

Any employee who is unable to report for work on any particular day, or who will be late, must notify his or her supervisor at least one (1) hour before the time he or she is scheduled to begin working for that day. The Company reserves the right to request documentation from any employee supporting the reason for an absence. Documentation related to absences for medical issues may be requested by Human Resources only. Three (3) consecutive days of missed work by an employee without notification and approval will be considered 'job abandonment' and may result in termination of employment.

Dress Code

It is important that all Company personnel uphold a professional image during the work week. Certain attire is not permitted during work hours in Houston office such as jeans that have holes or rips, shorts, flip flops, baseball caps, revealing clothing, and t-shirts. Any attire that is distracting or offensive to others, will be considered inappropriate and may result in disciplinary action to include verbal or written warnings.

Political Involvement

The Company practices strict neutrality as it relates to the political process and intends to remain in compliance with all relevant campaign finance laws and other laws, rules, and regulations affecting the political process.

The political process is carefully regulated by various campaign finance laws, which are complex and have an extremely broad reach. In many instances, they restrict the use of corporate resources and use of the corporate name in connection with elections, ballot initiatives, and other political activities.

In order to maintain full compliance with all applicable laws relating to campaigns and other initiatives, the following guidelines outline the Company's policy regarding political activism and support of political candidates and causes:

- (a) The Company encourages all Company personnel and other stakeholders to support the candidates and causes that they choose;
- (b) All Company personnel are encouraged to vote in local, state and national elections. This activity is one of the most important rights of citizenship. If an individual does not have sufficient time to vote before or after working hours, the matter should be discussed with his or her supervisor. For Company employees, the supervisor will make arrangements so that the individual can have time-off which the employee will be encouraged to make-up. The Company encourages Company personnel to take advantage of the convenience derived from early voting;
- (c) The Company encourages its Company personnel and other stakeholders to actively participate in the political process and to volunteer their services for political candidates. However, such services must be rendered on their own time. It is against the Company's policy, and may possibly be illegal, to use normal working time for any political purpose;
- (d) No Company personnel may use the Company's property or facilities for any political purpose. Examples of prohibited conduct include using the Company's computers, copiers, stationary, stamps, mail, letterhead, etc., to support a candidate or to send invitations for political fund-raising events, using the Company's telephone to make politically motivated solicitations, allowing any candidate or campaign to use any of the Company's facilities such as meeting rooms for political purposes, or to loan any Company's property to anyone for use in connection with a political action committee;
- (e) No Company personnel or stakeholder may include, directly or indirectly, any political contribution that they may desire to make on an expense reimbursement form or in any other way that causes the Company to reimburse the individual for that expense. For example, the cost of fundraising tickets for political functions is, in general, considered a political contribution. Therefore, including the cost of any fundraising dinner on an expense account, even if business is in fact discussed during such a dinner, is against the Company's policy and possibly illegal. If you have any questions, please consult the Law Department.

If the Company had a Political Action Committee ("PAC"), which it currently does not, it could undertake certain activities, which it cannot now. Because of this complexity and the serious consequences that can result from any breach of these campaign finance laws, any exceptions to this policy must be approved in advance by the President of the Company. Violation of the Company's policy is treated very seriously and may lead to a possible termination for cause.

Conflict Resolution Guidelines

Carrizo is committed to encouraging open and constructive feedback when a problem, complaint, suggestion, or question arises. The Company intends to be responsive to its employees and their legitimate concerns in a timely and thorough manner.

- Employees should initially address their concerns with their immediate supervisor. If the complaint involves the employee's immediate supervisor or the employee is not comfortable approaching their immediate supervisor, the employee may schedule a meeting with the next level of department management or Human Resources.
- If the discussion with management does not resolve the problem to the mutual satisfaction of the employee and the supervisor, or if the supervisor does not respond to the complaint, the employee is encouraged to meet with Human Resources.
- Human Resources may call a meeting with the parties directly involved to facilitate a resolution. Human Resources may gather further information from involved parties. All involved individuals,

other than Human Resources, will be responsible for maintaining confidentiality regarding the situation and are charged with not discussing the situation with any other employee or with the complainant employee. Alternatively, Human Resources may involve the department Vice President and General Counsel if the complaint raises serious questions of fact or violation of the law or Company policy.

Not every issue can be resolved to all parties' satisfaction in every case. However, it is the responsibility of all employees and management to work towards the best and final outcome. The circumstances of each situation may differ. Possible levels of a disciplinary action may also vary, depending upon the nature of the situation and the impact of the conduct on the department or organization, if warranted. The Company reserves the right to take the most appropriate action if any conduct it considers to be inappropriate, unconstructive, or in violation of the law or Company policy.

As mentioned in other policies in this Handbook, Carrizo strictly prohibits any form of retaliation against an employee who makes a complaint, raises a concern, provides information, or cooperates in an investigation related to any conduct in a reasonable, professional manner, and in good faith. They will not be penalized or retaliated against.

Conduct

Employees and all other Company personnel are expected to consistently exhibit the highest moral, ethical, and legal standards of conduct. Please also refer to the 'Code of Ethics and Business Conduct of Carrizo Oil & Gas, Inc.', 'Amended and Restated Insider Trading Policy', 'Travel and Business Expense Policy', and 'Information Technology Acceptable Use Policy' for additional requirements. Violations of these standards will lead to disciplinary action, up to and including termination of employment. Violations include, but are not limited to, the following:

- Non-compliance with all laws, codes, and regulations (local, state, federal, and foreign) which apply to the Company, its clients, and projects;
- Falsifying employment application, time card, personnel, or other Company documents or records;
- Unauthorized or unapproved salary advances, overtime reimbursement, bonus payments, or other forms of unauthorized compensation;
- Unauthorized possession of the Company's property, illegal gambling, carrying weapons or explosives, or violating criminal laws on the Company's premises;
- Threatening, intimidating, coercing, fighting, throwing objects, using vulgar, obscene or abusive language or gestures, or other disorderly conduct that may endanger the well-being of another or the general operations of the Company. This encompasses all forms of inappropriate communication: telephone, written, electronic, social media, etc.;
- Engaging in acts of dishonesty, fraud, sabotage, or forgery;
- Failure to protect the confidentiality of all Company related information and materials that are not for public disclosure;
- Insubordination, including refusal to do assigned work or refusal to perform work in the manner described by a supervisor, without proper justification;
- Conduct that the Company believes to reflect adversely on the individual or the Company;
- An individual's performance or work product that does not meet the requirements of the position or the assignment given;
- Violating any of the Company's guidelines, policies, or procedures;
- Attendance that does not meet the Company's requirements or, in the case of non-employees, which interferes with the timely delivery or work product desired. For employees, this includes leaving the Company's premises or one's job during working hours without notifying a supervisor or obtaining permission, excessive tardy occurrences, and excessive absenteeism;

- Violating a safety rule or safety practice of the Company or that of any of its clients to which the employee is assigned; and
- Unlawful harassment of any kind.

This list is intended to be representative of the types of infractions that may result in disciplinary action. It is not intended to be comprehensive and does not alter the employment-at-will relationship between the individual and the Company.

Progressive Discipline

Employees have responsibility and accountability to the Board of Directors, Company, management, service providers, and to colleagues. When an employee is not capable, able, or willing to meet the requirements of the position or conduct standards, the Company may take corrective or disciplinary action. The purpose of this policy is to state Carrizo's position on administering equitable and consistent discipline for unsatisfactory conduct in the workplace.

Carrizo's responsibility is to ensure fair treatment of all employees and when disciplinary actions are necessary, they are prompt, uniform, and impartial. The goal of disciplinary action is to correct the behavior/performance results, prevent recurrence, and help the individual by providing feedback and resources to improve their performance in the future.

Disciplinary issues may justify any of the following actions depending on the nature of the conduct or performance issue: verbal warning, written warning, performance improvement plan, or termination of employment.

Although employment at Carrizo is 'at-will' and both the employee and Carrizo have the right to terminate employment, with or without cause or advance notice, Carrizo may use progressive discipline at its discretion when warranted. Carrizo reserves the right to administer discipline in such a manner as it deems appropriate based on the merits of each case, consideration of the circumstances, past performance history, and the skills the employee possess, or the requirements of their position.

Termination of Employment

Termination is the voluntary or involuntary end of the employment relationship between the employee and the Company. Employment relationship with the Company is "at will," which means that either an employee or the Company may terminate the employment at any time, with or without notice, and with or without cause.

Voluntary Termination

When an employee decides to leave the Company, a letter of resignation that includes the effective termination date should be given to the supervisor. When possible, the Company appreciates a two-week notice. Upon termination, the employee must return all Company keys, supplies/equipment, documents, and materials to the supervisor or Human Resources.

Involuntary Termination

Involuntary termination is normally determined based on business necessity or the employee's inability to satisfactorily meet the expectations of the job, which includes conduct as well as performance, or when the Company is required to terminate employment once the employee reaches six (6) months of a combination of Short-Term and Long-Term Disability per the Company's plan provisions. In addition, in the event the Company deems it warranted, the employment of any

employee may be terminated without cause and without any advance notice or warning and, with respect to contract personnel, in accordance with the terms of their applicable contract or agreement.

An employee may also be discharged for cause, for work performance unsatisfactory to the Company, serious offenses, or repeated occurrences of minor offenses.

An employee who is discharged will be paid in accordance with state guidelines and under the terms of an executed Separation Agreement, if applicable.

CARRIZO BENEFITS AND PROGRAMS FOR EMPLOYEES

Only full-time employees are eligible to earn time-off benefits and medical/life/disability insurance benefits. Full-time employees must work at a minimum of thirty (30) hours per week to be eligible for Company-provided benefits.

Holidays

The following days are the Company's official holidays:

New Year's Day
President's Day
Good Friday
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Thanksgiving Day (Friday following)
Christmas Eve
Christmas Day
Floating Holiday (eight (8) hours to be used at employee's discretion and supervisor's approval)

All full-time employees and employees who are on disability status on the date of a holiday will be paid for that day at the employee's base rate. Interns and temporary/contract/part-time employees are ineligible for a holiday pay. When a holiday occurs on a Saturday, it will be observed on the preceding Friday. When a holiday occurs on a Sunday, it will be observed on the following Monday.

Paid-Time-Off (PTO) – Revised Policy Effective January 1, 2019

Paid Time Off ("PTO") is an all-purpose time off policy for full-time employees to use for vacation, illness, and any other personal matters. It combines traditional vacation and sick leave plans into one flexible policy. Interns and temporary/contract/part-time employees are ineligible for PTO.

PTO entitlement at Carrizo is based on the number of years of previous, relevant, professional experience upon hire, per the schedule below.

<u>Years of Previous, Relevant, Professional Experience</u>	<u>Annual PTO Awarded Upon Hire Date</u>
0 years - 5 years	120 hours
6 years –12 years	160 hours
13 years – 19 years	200 hours
Over 20 years	240 hours
The annual carryover of unused PTO is a maximum of 40 hours	

Employees are eligible to receive additional PTO of forty (40) hours based on achieving tenure milestones:

<u>Combination of: Years of Service at CRZO + Industry Tenure</u>	<u>Additional Annual PTO Award</u>
6 years, 13 years, and 20 years of a combined industry experience upon hire + years of service with Carrizo	Additional 40 hours
<ul style="list-style-type: none"> • Additional PTO will be granted in <u>January</u> of the milestone year if the date falls between January and June. • Additional PTO will be granted in <u>June</u> of the milestone year if the date falls between July and December. <p style="text-align: center;"><i>Employees’ maximum annual PTO entitlement is 240 hours, excluding PTO carryover from previous calendar year.</i></p>	

PTO is granted upon date of hire and prorated as appropriate for the first (1st) calendar year of employment. An employee with less than one (1) year of service may only be permitted to take five (5) consecutive days of PTO, unless pre-approved by Department Vice President.

The maximum annual PTO allotment for eligible employees is 240 hours (excluding previous year PTO carryover). Employee will receive his/her full allotment of PTO at the beginning of the calendar year plus any PTO hours carried over from the previous year, up to forty (40) hours. This allows the employee the flexibility to use PTO before it has been accrued for planned vacations, personal business, emergencies, etc.

PTO can be used in minimum increments of one (1) hour for non-exempt employees per FLSA pay regulations and half-day increments of four (4) hours for exempt employees.

To request PTO an employee must request time off through the Company’s HRIS system and obtain approval from his/her supervisor in advance. While every effort is made to accommodate non-emergency PTO requests, some may be denied or changed based on business demands and work coverage during the holidays. Employees who have an unexpected need to be absent from work should notify their supervisor before the scheduled start of their workday, or as soon as reasonably possible.

Employees are encouraged to use their PTO benefit throughout the year but may carryover a maximum of forty (40) hours of unused, accrued PTO to the next calendar year. There is no payout for unused vacation at the end of a calendar year.

If an employee exceeds their annual PTO allotment and has a negative balance at the end of the calendar year, the negative balance will be deducted from the following calendar year allotment.

Requests for time off without pay will only be granted in emergency situations and requires Department VP and VP of Human Resources’ approval. If an employee has PTO available, PTO must be used prior to a request for time off without pay will be allowed.

PTO Calculation at Termination

PTO is calculated on a per-pay-period basis in the event an employee’s employment terminates. If the employee has a positive PTO balance (i.e., the employee has accrued more PTO than he/she has used),

the amount of the PTO accrued but not used at time of termination will be paid to the employee in a lump sum and included in final paycheck.

If the employee has a negative PTO balance (i.e., the employee has used more PTO than he/she would have accrued on a pay period basis), the amount of the PTO used, but not yet accrued at time of termination, will be deducted from the employee's final paycheck or paid directly back to the Company. By acknowledging receipt of this Employee Handbook an employee expressly consents to such deduction.

Adoption and Paternity Leave

Fathers are eligible for an additional five (5) days of PTO to be used after the birth or adoption of a child. These days are in addition to the employee's PTO entitlement and may be used consecutively or periodically during the first year of the birth or adoption of a child. Mothers are eligible for an additional five (5) days of PTO to be used for the adoption of a child.

These days are in addition to the employee's PTO entitlement and may be used consecutively or periodically during the first year of the adoption of a child.

In lieu of additional PTO for mothers in connection with the birth of a child, additional Company-paid benefits to the mother associated with the birth of a child while under a doctor's care are included under the Company's Short-Term Disability Program.

Family and Medical Leave Act (FMLA)

General Provisions

Under the Family and Medical Leave Act ("FMLA"), Carrizo provides leave for eligible employees. FMLA provides for up to twelve (12) weeks (or up to twenty-six (26) weeks of military caregiver leave to care for a covered service member with a serious injury or illness), during a 12-month period, of either paid, unpaid, or a combination of paid and unpaid, job-protected leave.

Eligibility

To qualify for the FMLA leave, the employee must meet all of the following conditions:

- The employee must have worked for the Company for twelve (12) months or fifty-two (52) weeks. The twelve (12) months or fifty-two (52) weeks need not have been consecutive. Separate periods of employment will be counted, provided that the break in service does not exceed seven (7) years. Separate periods of employment will be counted if the break in service exceeds seven (7) years due to National Guard or Reserve military service obligations or when there is a written agreement, including a collective bargaining agreement, stating the employer's intention to rehire the employee after the service break. For eligibility purposes, an employee will be considered to have been employed for an entire week even if the employee was on the payroll for only part of a week or if the employee is on leave during the week;
- The employee must have worked at least 1,250 hours during the 12-month period immediately before the date when the leave is requested to commence. Hours worked do not include time spent on paid or unpaid leave; and
- The employee must work in a worksite where fifty (50) or more employees are employed by the Company within seventy-five (75) miles of that office or worksite. The distance is to be calculated by using available transportation by the most direct route.

Type of Leave Covered

To qualify for the FMLA leave under this policy, the employee must be taking leave for one of the reasons listed below:

- The birth of a child and in order to care for and bond with that child;
- The placement of a child for adoption or foster care and to care for and bond with the newly placed child. As used in this policy, "child" includes stepchildren, legal wards, or children of persons standing in loco parentis, under the age of eighteen (18), children with a mental or physical disability who are unable to care for themselves over the age of eighteen (18) are included under FMLA.
- To care for a spouse, child or parent with a serious health condition;
- The serious health condition of the employee;
- Qualifying exigency leave for families of members of the National Guard or Reserves or of a regular component of the Armed Forces when the covered military member is on covered active duty or called to covered active duty; or
- Military caregiver leave (also known as covered service member leave) to care for an injured or ill service member or veteran.

An employee may take leave because of a serious health condition that makes the employee unable to perform the functions of the employee's position. A "serious health condition" is an injury, illness, impairment, or physical or mental condition that involves care or continuous treatment by a health care provider. Employees with questions about illnesses covered under this FMLA policy or under the Company's Short or Long-Term Disability policies are strongly encouraged to consult with Human Resources.

If an employee takes paid sick leave for a condition that progresses into a serious health condition, and the employee requests unpaid leave as provided under this policy, the Company may designate all or some portion of the related leave taken as leave under this policy, to the extent that the earlier leave meets the necessary qualifications.

Amount of Leave

An eligible employee can take up to twelve (12) weeks for the FMLA circumstances listed above during any twelve (12) month period. The Company will measure the twelve (12) month period as a rolling twelve (12) month period measured backward from the date an employee uses any leave under FMLA. Each time an employee takes a leave, the Company will compute the amount of leave the employee has taken under this policy in the last twelve (12) months and subtract it from the twelve (12) weeks of available leave. The balance remaining is the amount the employee is entitled to take at that time.

An eligible employee can take up to twenty-six (26) weeks for the FMLA circumstance of military caregiver leave during a single twelve (12) month period. For this military caregiver leave, the Company will measure the twelve (12) month period as a rolling twelve (12) month period measured forward. FMLA leave already taken for other FMLA circumstances will be deducted from the total of twenty-six (26) weeks available.

If a married couple both work for the Company and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (but not a parent "in-law") with a serious health condition, the couple may only take a combined total of twelve (12) weeks of leave. If a

married couple both work for the Company and each wishes to take leave to care for a covered injured or ill service member, the couple may only take a combined total of twenty-six (26) weeks of leave.

Employee Status and Benefits During Leave

While an employee is on leave, the Company will continue the employee's health benefits during the leave period at the same level and under the same conditions as if the employee had continued to work.

If the employee chooses not to return to work for reasons other than a continued serious health condition of the employee or the employee's family member, or a circumstance beyond the employee's control, the Company will require the employee to reimburse the Company the amount it paid for the employee's health insurance premium during the leave period.

Under the Company's current policy, the employee pays a portion of the health care premium. While on paid leave, the employer will continue to make payroll deductions to collect the employee's share of the premium. While on unpaid leave, the employee's premiums will accumulate and will be paid via doubled premiums upon the employee's return to work. The total number of paychecks to include doubled premiums will equal the number of missed premium payments while the employee was on leave.

If the employee does not return to work, or if the employment is terminated after six (6) months of a combination of Short-Term and Long-Term Disability (per Carrizo's Disability Plan provisions) before the premiums are fully repaid, the total of all missed premiums is due within thirty (30) days of the employee's termination date. If the payment is more than thirty (30) days late, the employee's health care coverage may be terminated retroactive to the last date for which employee premiums were paid. The Company will provide a notification fifteen (15) days prior to the employee's loss of coverage. However, if an employee is terminated during leave, they will be eligible for COBRA continuation of health, dental, or vision coverage for a period of eighteen (18) months, by law.

Employee Status After Leave

An employee who takes a leave under the FMLA may be asked to provide a Fitness for Duty ("FFD") certification from the health care provider. This requirement will be included in the employer's response to the FMLA request. Generally, an employee who takes the FMLA leave will be able to return to the same position or a position with equivalent status, pay, benefits and other employment terms. The Company may choose to exempt certain key employees from this requirement and not return them to the same or similar position.

Use of Paid and Unpaid Leave

An employee who is taking FMLA leave because of the employee's own serious health condition or the serious health condition of a family member must use all Paid-Time Off (PTO) prior to being eligible for the unpaid leave. PTO will run concurrently with the FMLA leave if the reason for the FMLA leave is covered by the established Disability policies.

Disability leave for the birth of a child, and for an employee's serious health condition, including Workers' Compensation leave (to the extent that it qualifies), will be designated as FMLA leave and will run concurrently with the FMLA leave. For example, if an employee receives six (6) weeks of Short -Term Disability, the six (6) weeks will be designated as the FMLA leave and counted toward the employee's twelve (12) week entitlement. The employee will be required to substitute any accrued (or earned) paid leave as appropriate during the seven (7) day waiting period before eligibility for Short Term Disability. The employee may then be required to substitute accrued (or earned) paid leave as appropriate before being eligible for the unpaid leave for what remains of the twelve (12) week entitlement. An employee

who is taking leave for the adoption or foster care of a child must use all PTO prior to being eligible for any unpaid leave.

An employee who is using military FMLA leave for a qualifying exigency must use all PTO prior to being eligible for the unpaid leave. An employee using the FMLA military caregiver leave must also use all PTO prior to being eligible for any unpaid leave.

Intermittent Leave or a Reduced Work Schedule

The employee may take the FMLA leave in twelve (12) consecutive weeks, may use the leave intermittently (take a day periodically when needed over the year) or, under certain circumstances, may use the leave to reduce the workweek or workday, resulting in a reduced hour schedule. In all cases, the leave may not exceed a total of twelve (12) workweeks (or twenty-six (26) workweeks to care for an injured or ill service member over a twelve (12) month period). All requests for intermittent leave or reduced work schedule need to qualify under FMLA and be pre-approved by Human Resources and the employee's supervisor.

The Company may temporarily transfer an employee to an available alternative position with an equivalent pay and benefits if the alternative position would better accommodate the intermittent or reduced schedule, in instances of when leave for the employee or employee's family member is foreseeable, and for planned medical treatment, including recovery from a serious health condition or to care for a child after birth, or placement for adoption or foster care.

For the birth, adoption, or foster care of a child, bonding leave must be taken as a continuous block of leave unless the Company and the employee mutually agree to an intermittent leave schedule. Leave for birth, adoption or foster care of a child must be taken within one (1) year of the birth or placement of the child.

If an employee is taking leave for a serious health condition or because of the serious health condition of a family member, the employee should try to reach an agreement with the Company before taking intermittent leave or working a reduced hour schedule. If this is not possible, then the employee must prove that the use of the leave is medically necessary.

Certification for the Employee's or Family Member's Serious Health Condition

The Company will require certification for the employee's or the employee's family member's serious health condition. The employee must respond to such a request within fifteen (15) days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave. Medical certification will be provided using the Department of Labor ("DOL") Certification of Health Care Provider for Employee's Serious Health Condition and DOL Certification of Health Care Provider for Family Member's Serious Health Condition.

The Company may directly contact the employee's or the employee's family member's health care provider for verification or clarification purposes using a health care professional, Human Resources professional, leave administrator or management official. The Company will not use the employee's direct supervisor for this contact. Before the Company makes this direct contact with the health care provider, the employee will be given an opportunity to resolve any deficiencies in the medical certification. In compliance with Health Insurance Portability and Accountability Act ("HIPAA") Privacy Rules, the Company will obtain the employee's/employee's family member's permission for clarification of individually identifiable health information.

The Company has the right to ask for a second opinion if it has a reason to doubt the certification. The Company will pay for the employee or the employee's family member to get a certification from a second

doctor, which the Company will select. The Company may deny the FMLA leave to an employee who/whose family member refuses to release relevant medical records to the health care provider designated to provide a second or third opinion. If necessary to resolve a conflict between the original certification and the second opinion, the Company will require the opinion of a third doctor. The Company and the employee will mutually select the third doctor, and the Company will pay for the opinion. This third opinion will be considered final. The employee will be provisionally entitled to a leave and the benefits under the FMLA pending the second and/or third opinion.

Certification of Qualifying Exigency for Military Family Leave

The Company will require certification of the qualifying exigency for military family leave. The employee must respond to such a request within fifteen (15) days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave. This certification will be provided using the DOL Certification of Qualifying Exigency for Military Family Leave.

Certification for Serious Injury or Illness of Covered Service Member for Military Family Leave

The Company will require certification for the serious injury or illness of the covered service member. The employee must respond to such a request within fifteen (15) days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave. This certification will be provided using the DOL Certification for Serious Injury or Illness of Covered Service member.

Recertification

The Company may request recertification for the serious health condition of the employee or the employee's family member not more frequently than every thirty (30) days and only when circumstances have changed significantly, or if the employer receives information casting doubt on the reason given for the absence, or if the employee seeks an extension of his or her leave. Otherwise, the Company may request recertification for the serious health condition of the employee or the employee's family member every six (6) months in connection with the FMLA absence. The Company may provide the employee's health care provider with the employee's attendance records and ask whether need for a leave is consistent with the employee's serious health condition.

Procedure for Requesting the FMLA Leave

All employees requesting the FMLA leave must provide verbal or written notice of the need for the leave to Human Resources. Within five (5) business days after the employee has provided such a notice, Human Resources will complete and provide the employee with the DOL Notice of Eligibility and Rights.

When the need for the leave is foreseeable, the employee must provide the employer with at least thirty (30) days' notice. When an employee becomes aware of a need for the FMLA leave less than thirty (30) days in advance, the employee must provide notice of the need for the leave either the same day or the next business day. When the need for the FMLA leave is not foreseeable, the employee must comply with the Company's usual and customary notice and procedural requirements for requesting leave, absent unusual circumstances.

Designation of the FMLA Leave

Within five (5) business days after the employee has submitted the appropriate certification form, Human Resources will complete and provide the employee with a written response to the employee's request for the FMLA leave using the DOL Designation Notice.

Intent to Return to Work from the FMLA Leave

On a basis that does not discriminate against employees on the FMLA leave; the Company (Human Resources) may require an employee on FMLA leave to report provide periodic documentation from a physician related to employee's status and to return to work.

Additional Information Regarding FMLA

A Notice to Employees of Rights under FMLA is included in the Appendix to this Handbook.

Bereavement Leave

All full-time employees are eligible for Bereavement Leave due to the death of an immediate family member. Eligible employees who wish to take Bereavement Leave should notify their supervisor immediately.

Carrizo allows for paid time off of three (3) consecutive days for funeral arrangements that are local and five (5) consecutive days for funeral arrangements that are out-of-town. If more time off is necessary, the Company may approve additional unpaid time off as deemed appropriate.

"Immediate family member" refers to employee's spouse, children, sibling, parents, legal guardian, grandparents, grandchildren, parents-in-law, son/daughter in-law, step-parent, and step brother/sister.

Jury Duty

Jury duty is an obligation and privilege of citizenship. If a notice to appear for jury duty is received, employees should immediately notify their supervisor so that work assignments can be appropriately scheduled. If employees subsequently serve on a juror, regular wages (for full-time status employees only) will be paid during this time of service. Any compensation paid by the court may be kept by the employees. Employees are expected to provide a copy of the notice when they return to work.

Military Leave

Employees who request leave for military duties will be provided an unpaid leave of absence for the period of time in which employment status is protected by law. Reinstatement will be provided as permitted by law.

Benefit Plans and Services

Carrizo is committed to investing in the health and well-being of our employees and their families. Carrizo's philosophy is to provide comprehensive, competitive benefits plans typically offered within the oil and gas industry. Although industry conditions, overall cost of insurance plans, statutory requirements, and Carrizo's financial priorities may impact benefits offerings and premiums approved on an annual basis. Carrizo's philosophy is to minimize the cost to all eligible employees when possible. Below is a summary of benefits offered, however, please refer to the Company intranet site, contact the Human Resources department, or one of our dedicated Service Center teams for more information or with questions.

Carrizo offers several benefits options to all eligible, full-time employees (must work at a minimum of thirty (30) hours per week). Eligibility to enroll begins on the first calendar day of the month following hire date or within thirty (30) calendar days following a qualifying event to add or remove a dependent. Employees and qualified dependents may elect to enroll in a major medical, dental, vision, prescription,

pre-tax savings plans used to offset the cost of eligible benefits expenses, and various supplemental life insurance plans for all eligible dependents. Carrizo also offers subsidized group life insurance, AD&D, Short-Term Disability, and Long-Term Disability plans for eligible employees. Additionally, other ancillary plans and services are available to all eligible employees and dependents such as virtual physician visits, benefits plan and billing assistance, pain management and prevention services, legal, identity protection, travel assistance, complimentary counseling and referral services (EAP).

401(K) Plan

Carrizo has established a comprehensive 401(k) savings plan to provide full-time employees several fund options to invest in preparation for retirement. The Company offers pre-tax deferral contributions, Roth after-tax contributions, after-tax contributions, and catch-up contributions for employees age 50 and older. The Company currently matches employee contributions up to 6% dollar for dollar match of eligible salary. Employees become eligible to participate on the first of the month following their hire date of employment. The Company match vests 25% each year of employment.

Professional Training and Development

Carrizo encourages employees to enhance their knowledge, skills, and network with industry professionals, thus improving visibility and potential business opportunities with Carrizo. Carrizo recognizes that for development purposes, employees may need to attend training or conferences conducted off-site or join professional associations that will enable them to remain abreast of best practices in their respective fields or to maintain professional certifications pertinent to their field. The purpose of this policy is to outline Carrizo's guidelines for participating in professional development opportunities. Please note that this policy is subject to the annual budget established for external training and memberships, related to the employee's current profession or development plan, and must not cause disruption or unreasonable absence from work.

Carrizo offers a professional development benefit to full-time employees and must be pre-approved by the employee's immediate supervisor and Department Vice President prior to registration. Employees are strongly encouraged to seek off-site training/conferences within reasonable driving distance to home or work location to limit cost and time away from work, where practical. Some opportunities eligible for reimbursement are:

- Professional certification exams and preparation courses
- PDH/CEU/CLU courses offered by an accredited institution to maintain certification status
- Seminars, e-learning, and conferences
- Membership in professional organizations
- Professional publications, discipline specific on-line subscriptions

Employees may be permitted to attend two (2) paid seminars, conferences or workshops annually. The off-site event must have a direct relationship to the job the employee performs or is intended to prepare the employee for a future position. For work scheduling purposes, the employee's request must be received at least one (1) month in advance of the event, and the employee's department supervisor and Department Vice President must approve the request.

Employees may be permitted to join two (2) professional associations, membership fees for which will be paid for by Carrizo. The association selected must have a direct relationship to the job the employee performs. The employee must provide supporting documentation to the department supervisor for approval and must be submitted for reimbursement or check request to Accounts Payable.

Carrizo will not reimburse an employee to retake a course/exam, nor will reimburse for expenses of courses or seminars withdrawn from or unattended by the employee. Reasonable travel expenses may be permitted if the training is not available locally.

This guideline is not intended to cover tuition and fees incurred for accredited, undergraduate or higher education courses from universities. Carrizo does not have a formal tuition reimbursement policy at this time. However, there may be a business need identified by the Department Vice President, COO, or CEO whereby an employee has been selected to obtain a specific degree or specialized certification for the benefit of the Company. Eligibility for these programs will be reviewed on a case-by-case basis.

Charitable Contribution Company Match Program

Carrizo recognizes that employees have causes and organizations important to them and their families. Carrizo's Charitable Contribution Company Matching Program will aid qualified organizations in the form of matching employee contributions. Carrizo will match approved employee contributions made to qualifying charitable organizations up to \$2,500 annually. All requests submitted are subject to review and approval by the Vice President of Human Resources. Application forms are available on the Company intranet or Human Resources.

Eligibility: All Carrizo active, full-time, regular employees and non-employee Independent Directors are eligible.

Eligible Organizations: The organization being funded must have policies consistent with Carrizo's non-discrimination policies set forth in the Company's Handbook and meet at least one of the following criteria:

- Non-profit organization classified as 501(c)(3) that meet the tax-exempt status under Section 501(c)(3) of the Internal Revenue Code
- Charitable organizations that are accredited by: Council on Accreditations (COA), Better Business Bureau Accredited, or have received a favorable evaluation from Charity Navigator.
- A recognized government entity: state, county, or city agency (including law enforcement, fire departments, or regulatory agencies), that receive funds exclusively for public purposes or who exist to support the oil and gas industry.
- Accredited universities or colleges
- A church or other faith-based organization that provides services that benefits members of the community in need such as food pantries, soup kitchens, clothing centers, educational programs, etc. General fund donations to a church or other faith-based organizations do not meet the qualifications for matching donations.

Ineligible Organizations:

- Organizations that provide a direct benefit or service to the employee or the employee's family in exchange for donation or company match (such as school-related fees, equipment/uniforms, camps, school trips, etc.).
- Contributions for an appointed or elected government official or for campaign contributions to a candidate, per the Carrizo Political Involvement Policy.
- Organizations whose primary function is lobbying or litigation.
- Organizations that are membership-based (booster clubs, scout groups, fraternities, sororities).
- Employee, spouses' or dependents' athletic teams, squads, or sports clubs or facilities.

Employee Referral Program – Program Effective January 1, 2019

As Carrizo continues to grow and develop, new positions may become available. Carrizo is committed to hiring the best employees and values candidates referred by current employees. As an incentive for current employees to refer candidates for open positions to Human Resources, the following Employee Referral Program provisions apply:

Eligibility: All full-time, current employees with the exception of Vice Presidents, Human Resources personnel, and the manager(s) with ultimate hiring decision responsibilities for the open position.

- Employees may only submit referrals for open, positions posted on the Company's intranet and/or external website (www.Carrizo.com). Employee must submit the Employee Referral Program form and the candidate's current resume.
- The candidate referred must be hired within six (6) months from the date the employee submits the resume for consideration.
- The referral must represent the candidate's first contact with Carrizo. Candidates may not be represented or previously submitted by recruiting firm.
- Only candidates who meet the essential qualifications for the open position will be considered. A referral does not guarantee an offer of employment.
- If the candidate referred is hired, they must be employed for at least one (1) year. Upon the one (1) year anniversary, the employee who referred the candidate will receive a lump-sum referral bonus based on the following schedule:
 - Corporate Employees and Field Operations Employees: \$5,000
 - Petrotech Employees (Engineers, Geologists/Geophysicists, or Landmen) and Field Operations Foreman/Superintendents: \$10,000
 - Corporate Supervisor/Managers and above: \$15,000
- All referral bonus payments will be made through payroll and are subject to applicable tax withholding. The referring employee must be currently employed with Carrizo to receive referral bonus.
- The effective date of the Employee Referral Program is January 1, 2019. Employees who submitted candidates that were hired prior to January 1, 2019 are not eligible for a referral bonus.



**CARRIZO HANDBOOK ACKNOWLEDGMENT and
WRITTEN AUTHORIZATION FOR WAGE DEDUCTIONS**

CARRIZO EMPLOYEES

I have received a copy of Carrizo’s Policy, Procedures, and Programs Handbook. I understand that I am obligated to read, understand and adhere to the rules and policies set forth in this handbook. I understand this Handbook is not intended to cover every situation which may arise during my employment, and it is a general guide to the policies, practices, benefits, and expectations of Carrizo.

I understand that my employment relationship with Carrizo is at-will, which means I do not have a contract with Carrizo regarding the duration of my employment, and I am free to terminate my employment with the Company at any time, with or without reason, warning or advanced notice. Likewise, the Company, in its discretion, may terminate my employment with or without notice at any time. I understand that nothing in this handbook creates or is intended to create a promise or representation of continued employment. I understand and acknowledge that no manager, supervisor or employee of Carrizo has any authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment other than at-will. No amendment or modification of the at-will provisions of this handbook shall be effective unless it is an agreement in writing signed by the President of Carrizo.

I also understand Carrizo’s policies concerning Payroll Deductions and PTO, which are set forth in this handbook. If my employment with Carrizo ends for any reason, and at the time of termination, I have financial obligations owed to Carrizo (such as a negative PTO balance, a promissory note, or the fair-market value of equipment not returned to Carrizo at the time of termination), I agree and consent that any balance owed to Carrizo will be deducted from my final paycheck, and, if any balance remains outstanding, I will be required to repay the full balance to Carrizo within a specified time frame.

Employee Name (please print)

Signature

Date



**CARRIZO HANDBOOK ACKNOWLEDGMENT
WRITTEN AUTHORIZATION FOR WAGE DEDUCTIONS**

CONSULTANTS, CONTRACTORS, WORKERS UNDER A MASTER SERVICE AGREEMENT

I have received a copy of Carrizo’s Policy, Procedures, and Programs Handbook. I understand that I am obligated to read, understand and adhere to the rules and policies set forth in this Handbook although I am not a full-time employee. I understand this Handbook is not intended to cover every situation which may arise, and it is a general guide to the policies, practices, benefits, and expectations of Carrizo.

I understand that my employment relationship with Carrizo is under a Consulting Agreement, through a third-party company, or through a Master Services Agreement. However, I do understand that I am still an at-will worker and may terminate my services to Carrizo based on the terms of my agreement or my company’s agreement with Carrizo. Likewise, the Company, in its discretion, may terminate my services with or without notice, as specified base on the terms of my agreement or my company’s agreement with Carrizo. I understand that nothing in this Handbook creates or is intended to create a promise or representation of continued service to Carrizo. No amendment or modification of the at-will provisions of this Handbook shall be effective unless it is an agreement in writing signed by the President of Carrizo.

If my services with Carrizo ends for any reason, and at the time of termination, I have financial obligations owed to Carrizo (such as the fair-market value of equipment not returned to Carrizo at the time of termination), I agree and consent that any balance owed to Carrizo will be deducted from my final pay or billing, and, if any balance remains outstanding, I will be required to repay the full balance to Carrizo within a specified time frame.

Contractor’s Name (please print)

Signature

Date