

CONTANGO OIL & GAS COMPANY

NEWS RELEASE

Contango Oil & Gas Company Announces Approval for Listing on the American Stock Exchange

January 12, 2001 – HOUSTON, TEXAS – Contango Oil & Gas Company (OTCBB:CTGO) announced today that it had received approval for listing on the American Stock Exchange. Trading of Contango's common stock is expected to commence on the Exchange under the new symbol, "MCF", on January 18, 2001. The Company has selected Spear, Leeds & Kellogg as its specialist/market maker. The Company's common stock will continue to trade on the Nasdaq Over-the-Counter Bulletin Board under the symbol "CTGO" until trading commences on the American Stock Exchange.

Kenneth R. Peak, Chairman and Chief Executive Officer, stated, "We are extremely pleased with the American Stock Exchange's approval to list our common stock. As we grow and expand our operations, this is an important milestone in our becoming a more visible publicly traded company. We believe an auction market that combines a specialist/market maker with state of the art trading technology will optimize Contango's trading efficiency, reliability and liquidity for our stockholders."

Contango is a Houston-based, development stage, independent natural gas and oil company. The Company explores and acquires natural gas and oil properties primarily in the onshore Gulf Coast and offshore Gulf of Mexico. Additional information can be found on our web page at www.contango-oandg.com.

This news release contains forward-looking statements within the meaning of the Securities Litigation Reform Act. The statements reflect the company's current views with respect to future events that involve risks and uncertainties including uncertainties related to successful negotiations with other parties, oil and gas exploration risks, price volatility, production levels, closing of transactions, capital availability, operational and other risks, uncertainties and factors described from time to time in the company's publicly available SEC reports. In light of these risks and uncertainties, the forward-looking events described in this release might not occur.

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