

Rosetta Resources Inc.  
Form FWP  
March 06, 2007

**NASDAQ Investor Relations Conference  
London - March 6, 2007**

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**Forward Looking Statements**

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**Corporate Profile**

**nEstablished Rosetta July 7, 2005**

**nStock Trades on NASDAQ, Symbol: "ROSE"**

**nShares Outstanding = 50.6 Million**

**nMarket Cap Value = \$961 MM (as of 02/21/07)**

**nEnterprise Value = \$1.1 Billion (as of 02/21/07)**

**nNet Producing Wells: Over 800**

**nProved Reserves at 12/31/2006 = 408 BCFE (96% gas)**

**nCompany Operates Over 90% of Value**

**n530 Remaining Drillable Locations**

**nCurrent Production = 107 MMcfe/d**

**nHistorical Drilling Success: 85%**

**nManagement has a proven track record**

**• 135 Employees**

**• Principal Offices: Houston, Texas & Denver, Colorado**

**• Field Offices: Rio Vista, California & Laredo, Texas**

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**Corporate Strength**

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**Growing Reserve Base**  
(as of 12/31/06)

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**Summary of Year-End Reserves**

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	<b>12/31/06</b>
<b>Sacramento Basin</b>	<b>112</b>
<b>DJ Basin</b>	<b>193</b>
<b>San Juan Basin</b>	<b>40</b>
<b>Utah</b>	<b>8</b>
<b>Lobo</b>	<b>90</b>
<b>Perdido</b>	<b>52</b>
<b>Offshore</b>	<b>5</b>
<b>State Waters</b>	<b>12</b>
<b>Other</b>	<b>22</b>
<b>Total</b>	<b>534</b>

**Drillable Locations**

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**Production (MMcfe/d)**

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**Current Production**  
**February 2007 (MMcfe/d)**

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**Summary of 2006 Activity**

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**Capital Expenditures**

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2007 Organic Goals

n Increase 2007 net production by **36%** over 2006  
level to **46 BCFE** or **125 MMCFE/D**

n Add one new growth area...

n Drill **195** gross wells

n Invest **\$250 million** of capital

2007 Organic Goals

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- n Rio Vista Deep
  - n Rio Vista Extension
  - n Bradford Island 3D Results
    - n South Timbalier 293
    - n Main Pass 125
  - n Clayton Deep “Sligo Reef Play”
    - n Four Sabine Lake Wells
    - n Four Galveston Bay Wells
- 2007 Potential High Impact  
Exploratory Activity**
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**OPERATIONS**

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**Sacramento Basin**

**General Info**

- n 16 productive zones from 2,000 to 10,000'
- n 3.6 Tcf cumulative production (Rio Vista only)
  - n Approx net 70,000 acres
  - n 85% to 100% working interest
  - n Approx. 150 producing wells
- n Typical well: \$1.5 to \$2.0 million to drill and complete, 1.5 to 2.0 Bcfe reserves, 1 to 3 MMcfe/d IP
- n Over 110 drillable locations

**2006 Activity**

- n Drilled 23 wells (2 deep), 83% successful
  - n Leased 16,400 acres
- n Shot 12 sq. mile 3-D survey on Bradford Island
  - n Made a deep discovery
  - n Extended pays on south end of field
- n Improved productivity on low pressure zones by air drilling
- n Uncovered low contrast pay opportunities

**2007 Plans**

- n Drill 30 wells (3 deep)
    - n Lease 5,000 acres
  - n Purchase PG&E low pressure gathering system
    - n Reprocess 3-D seismic surveys
  - n Develop prospects on southern end of the field
    - n East extension of Winters (deep) play
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**Rio Vista Production** (MMCFE/D)

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**DJ Basin**

**General Info**

- n Target zone – Niobrara Chalk at 2,500'**
  - n Approx. 80,000 acres with avg. of 80% working interest**
  - n Typical well – costs \$220,000 to drill & complete, 0.3 to 0.4 Bcfe of reserves and 100 to 150 Mcfe/d initial production**
  - n Approx. 200 drillable locations**
  - 2006 Activity**
    - n Drilled 46 wells, 93% successful**
    - n Leased 33,700 acres**
    - n Shot 61 sq. miles of 3-D seismic**
  - n Extended productive limits of Republican Field**
  - n Installed 13 mile gathering system in South Republican**
  - 2007 Plans**
    - n Tie-in existing wells (add 7 MMcfe/d)**
    - n Drill 70 wells**
    - n Lease 12,000 acres**
    - n Shoot 40 sq. miles of 3-D seismic**
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**Texas Activity / Growth Areas**

Miocene and Frio Amplitudes  
Anomalina, Hackberry & Vicksburg  
    Wilcox Trend  
    Perdido Trend  
    Lobo Trend  
    Olmos Trend  
n Miocene/Frio  
n Anomalina, Hackberry & Vicksburg  
    n Wilcox  
    n Perdido  
    n Lobo  
    n Olmos

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**South Texas – Lobo**

**General Info**

- n Company owns approx. 70,000 net acres and 320 sq. miles of 3D seismic. Majority of the acreage Rosetta has 90% to 100% working interest
- n Lobo formation occurs at approx. 7,500 to 8,500 depth
- n Typical well costs \$1.7 to \$1.8 million, yielding 1.3 to 2.0 Bcfe of reserves, and stabilized avg. initial rates of 2.0 MMcfe/d
- n The company has approx. 90 locations

**2006 Activity**

- n Drilled 26 wells
- n Added over 8,000 net acres of land
- n Increased production over 50% (from January 2006)
- n Created significant new drilling opportunities

**2007 Plans**

- n Drill 30 wells using two rigs
  - n Shoot additional 3D Seismic
  - n Continue to lease infill & field extension acreage
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**South Texas - Lobo**

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**South Texas – Perdido**

**General Info**

- n Rosetta owns 50% working interest in approx. 18,000 net acres
- n Perdido horizons are at approximately 8,000' to 9,500' in three different sand intervals
- n Wells are drilled horizontally and fractured with total well cost of \$5.5 million, reserves of 3.5 Bcfe and initial stabilized first month avg. rates of 9 MMcfe/d
- n Company has 52 remaining drillable locations

**2006 Activity**

- n Drilled 7 horizontal wells, two of which were drilling at year-end and are now producing
- n Established a third producing horizon that could create additional drilling opportunities

**2007 Plans**

- n Drill 7 additional wells
  - n Continue to lower costs
  - n Create additional locations
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**HIGH ISLAND BLOCK 442**  
**HIGH ISLAND BLOCK 442**  
**EAST CAMERON BLOCKS 88**

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**89**

**EAST CAMERON BLOCKS 88**

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**89**

**EAST CAMERON BLOCK 178**  
**EAST CAMERON BLOCK 178**  
**SOUTH TIMBALIER BLOCK 226**  
**SOUTH TIMBALIER BLOCK 226**  
**SOUTH TIMBALIER BLOCK 293**  
**SOUTH TIMBALIER BLOCK 293**  
**SOUTH PELTO BLOCK 17**  
**SOUTH PELTO BLOCK 17**

*New Leases*

*New Leases*

*Current Production*

*Current Production*

**MAIN PASS BLOCK 29**

**MAIN PASS BLOCK 29**

**MAIN PASS BLOCK 125**

**MAIN PASS BLOCK 125**

**GRAND ISLE BLOCK 72**

**GRAND ISLE BLOCK 72**

**MAIN PASS BLOCK 118**

**MAIN PASS BLOCK 118**

*Waiting on Facilities Completion*

*Waiting on Facilities Completion*

*Prospect*

**Gulf of Mexico Activity Areas**

**2/16/07**

**General Info**

- n Working interest in 11 blocks ranging from 20% to 100% (NRI of 15% - 79%)
- n 27,600 net acres (*est.*) under lease
- n 800 sq. mile joint venture with 3D coverage
  - n Typical well costs (gross)
    - \$25-\$50 MM to drill & complete
    - 25-50 BCFE reserves
  - 10-20 MMCFE/D (avg. first month)

**2006 Activity**

- n Facility work was 80% complete on new productive blocks: Main Pass 29, Main Pass 118 and Grand Isle 72
- n Bought three new prospects in the Louisiana Federal waters lease sale
- n Drilled two dry holes: Main Pass #117 and

S.Timbalier 252 #1

**2007 Plans**

n Put three new blocks on production at 10

MMcfe/d net

n Drill S. Timbalier #293

n Drill Main Pass 125

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**Texas State Waters**

*Galveston Bay*

**TEXAS STATE WATERS**

Rosetta Acreage

Producing

Waiting on Completion

Location

**Umbrella Point**

**St Tr 100 Ut**

**T B - 2**

**Dolphin**

**2/16/07**

**General Info**

n Company exploring in the Vicksburg and Frio trends in Galveston Bay, Texas, pursuing sands that exhibit strong hydrocarbon indicators on 3-D seismic

n Currently three wells producing  
n Typical well costs

- \$5-\$8 MM to drill and complete
  - 6-8 BCFE reserves
  - 6-10 MMCFE/D (avg. first month)

**2006 Activity**

n Drilled S.T. 85 and S.T. 116 A-1 (dry hole) and S.T. 199-1, tested 1.2 MM/d which will be tied in early 2007

n Geoscience work resulted in four low risk locations which are offset to and analogous to three wells which will produce over 40 Bcfe from Anamolina reservoirs

**2007 Plans**

n Drill 4 wells to the Anamolina zone with a 28% working interest  
n Pursue additional prospects

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**State Waters – Texas & Louisiana**

*Sabine Lake*

**La Tr 28-29 #1**

Loc

**St Tr 30 #2 Loc**

**Ballard Discovery**

**Hackberry**

**St Tr 30 #1 Drilling**

**St Tr 15-16 #1 Loc**

**Exxon #1 Sabine Lake GU #1**

**Cum 27 BCF + 2.3 MMBO**

Original 2006 leases

New 2007 leases

**2/16/07**

**General Info**

n Company owns a 50% working interest in  
2,106 acres and 70 sq. mile of 3D seismic  
n Prospective formations – Vicksburg at  
14,000'; Hackberry at 12,000'-13,000';  
and Miocene at 6,500'-8,500' depth

n Typical well costs

- \$5-\$10 MM to drill and complete
  - 10-20 BCFE reserves
- 10-15 MMCFE/D (avg. first month)

**2007 Plans**

n Drill four wells

n Develop additional prospects

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**FINANCIAL**

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*Includes costs of becoming Public company, SOX implementation and Calpine related transaction costs*

	<b>2006 Est. Actual</b>	<b>2007 Forecast</b>
<b>Average Realized Price / Mcfe</b>	<b>\$8.13</b>	<b>\$7.70</b>
<b>n Operating Costs / Mcfe</b>		
• <b>Direct LOE</b>	<b>\$0.65</b>	<b>\$0.61</b>
• <b>Ad-Valorem Tax</b>	<b>0.20</b>	<b>0.20</b>
• <b>Work over</b>	<b>0.19</b>	<b>0.11</b>
• <b>Insurance</b>	<b>0.04</b>	<b>0.04</b>
<b>n Total Lifting Costs</b>	<b>\$1.08</b>	<b>\$0.96</b>
• <b>Production Tax</b>	<b>0.19</b>	<b>0.19</b>
• <b>TG&amp;M</b>	<b>0.15</b>	<b>0.12</b>
• <b>G&amp;A<sup>(1)</sup></b>	<b>0.82</b>	<b>0.64</b>
• <b>Interest (net)</b>	<b>0.39</b>	<b>0.32</b>
<b>Total Cash Costs per Mcfe</b>		
<b>\$2.63</b> <b>\$2.23</b>		
<b>CASH FROM OPERATIONS /Mcfe</b>	<b>\$5.50</b>	<b>\$5.47</b>

**Cash from Operations**

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**Quarterly Results (in Millions)**

	<b>Three Months Ended September 30, 2006 (Unaudited)</b>	<b>Nine Months Ended September 30, 2006 (Unaudited)</b>
<b>Avg. Production (MMcfe/Day)</b>	<b>95.0</b>	<b>89.5</b>
<b>Realized Price (\$/MCFE)</b>	<b>8.15</b>	<b>8.15</b>
<b>Total Revenues</b>	<b>71.2</b>	<b>199.1</b>
<b>Net Income</b>	<b>11.9</b>	<b>31.4</b>
<b>EPS Diluted</b>	<b>0.24</b>	<b>0.62</b>
<b>Average Shares Outstanding (Diluted)</b>	<b>50.4</b>	<b>50.4</b>

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n Hedged 65 BBTU/D for 2007 with swaps at 55 BBTU/D with average price of \$7.79 and collars of 10 BBTU/D \$7.19/10.03

n Revolving line of credit – conforming borrowing base of \$325 million  
n \$159 million unused capacity  
n Currently have \$240 million debt outstanding.

Revolving Credit	\$165
Second Lien Term loan	<u>75</u>
	240

n Cash = \$63 MM

n Protected 50 BBTU/D of estimated 2008 natural gas. 50 BBTU/D swapped at \$7.62

**Financial Flexibility to Grow**

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**Key Investment Highlights**

- n Positioned for visible, long-term reserve and production growth:**
    - **26% annual growth in production (2005-2006)**
    - **14% annual growth in reserves (2005-2006)**
    - n Significant drilling location inventory**
  - n Proven record of environmental compliance and safety**
    - n Competitive cost structure**
    - n Financial flexibility to pursue growth strategy**
  - n Experienced technical and field staff, making use of industry Best Practices and state of the art technology**
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