

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

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

-

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

FINANCIAL

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

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

Cash from Operations

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Quarterly Results (in Millions)

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

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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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