

CALLON PETROLEUM COMPANY

CHARTER OF THE STRATEGIC PLANNING COMMITTEE OF THE BOARD OF DIRECTORS

(As adopted August 28, 2004 and amended by the Board of Directors November 7, 2012)

This Strategic Planning Committee Charter ("Charter") sets forth the purpose and membership requirements of the Strategic Planning Committee ("Committee") of the Board of Directors ("Board") of Callon Petroleum Company ("Company"), and establishes the authority and responsibilities delegated to it by the Board.

1. **Purpose.** The purpose of the Committee is to: (a) assist the Board in overseeing the responsibilities of the Board relating to strategic planning, including: (i) organizing and managing the Board's participation in the development of the strategic plan of the Company ("Strategic Plan") and the risk assessment and management process; (ii) monitoring the progress of the implementation of the Strategic Plan and advising the Board if additional Board action appears to be needed; (iii) assuring that management is addressing the personnel requirements for the successful implementation of the Strategic Plan; and (iv) assisting management and the Board with its oversight of the integrity of the determination of the Company's oil, natural gas and natural gas liquids reserves and the work of the Company's independent petroleum reservoir and reserve engineering firm ("Firm"); and (b) consider any other strategic planning and reserve determination issues that arise and discharge all other duties and responsibilities imposed on the Committee by the Board from time to time.

The Committee shall have the authority to retain, at the Company's expense, consultants, outside legal counsel, reservoir engineers and other experts ("Advisors") as it deems necessary to assist in fulfilling its responsibilities. The Committee shall have sole authority to approve related fees and retention terms of such Advisors.

2. **Committee Members.**

2.1. **Composition and Appointment.** The Committee shall consist of at least three (3) or more members of the Board. The members and Chair of the Committee shall be appointed by the Board. Membership on the Committee shall rotate at the Board's discretion. The Board shall fill vacancies on the Committee and may remove a Committee member from the membership of the Committee at any time without cause. Members shall serve until their successors are appointed by the Board.

3.2. **Subcommittees.** The Committee shall have the authority to delegate authority and responsibilities to a subcommittee comprised of one or more members of the Committee.

3. **Meetings.**

3.1. **Frequency of Meetings.** The Committee shall meet at least once per fiscal year or as many times the members deem necessary. The Chair or any member of the Committee may call a special meeting at any time.

- 3.2. **Minutes.** The Chair shall appoint a secretary to document the proceedings of the meeting and the discharge by the Committee of its responsibilities. Minutes will be prepared and subsequently approved for each meeting. Copies of such minutes will be filed with the Corporate Secretary of the Company and a copy thereof shall be sent to the Committee members and incorporated with and into the next regularly scheduled meeting of the Board.
- 3.3. **Quorum.** A quorum shall consist of a majority of the Committee's members. The act of a majority of the Committee members at a meeting at which a quorum is present shall be the act of the Committee. The Committee may also act by unanimous written consent of its members in lieu of a meeting.
- 3.4. **Agenda.** The Chair of the Committee shall, in consultation with Committee members and, as necessary, any appropriate member of the Company's management or staff, prepare an agenda for each meeting of the Committee. As requested by the Chair, members of the Company's management and staff shall assist the Chair with the preparation of any background materials necessary for any Committee meeting.
- 3.5. **Presiding Officer.** The Chair of the Committee shall preside at all Committee meetings. If the Chair is absent at a meeting, a majority of the Committee members present at a meeting shall appoint a different presiding officer for that meeting.

4. **Strategic Planning Function.**

- 4.1. **Strategic Plan Development.** The Committee shall, with the assistance of management, manage and oversee the Board's participation in the development of the Company's Strategic Plan, including, but not limited to, the exploration and development strategy, acquisition and growth strategy, and the allocation of the capital spending budget.
- 4.2. **Strategic Plan Implementation.** The Committee shall assist the Board in fulfilling its responsibility for reviewing, evaluating and monitoring the Company's Strategic Plan and annual action planning by meeting with the CEO and other members of senior management on a periodic basis to receive and review strategic updates or, if a need exists, to revise the Strategic Plan in the face of changing conditions or other factors, and recommend necessary changes in the plan or delineated strategies.

5. **Reserve Function.** The Committee shall perform, in consultation with the Company's management and senior reserves and reservoir engineering personnel, the following responsibilities:

- 5.1 Oversee the appointment, qualification, independence, compensation and retention of the Firm engaged by the Company (including resolution of material disagreements between management and the Firm regarding reserve determination) for the purpose of preparing or issuing an annual reserve report. The Committee shall review any proposed changes in the appointment of the Firm, determine the reasons for such proposal, and whether there have been any disputes between the Firm and management.
- 5.2 Review the Company's significant reserves engineering principles and policies and any material changes thereto, and any proposed changes in reserves engineering

standards and principles which have, or may have, a material impact on the Company's reserves disclosure.

- 5.3 Review with management and the Firm the proved reserves of the Company, and, if appropriate, the probable reserves, possible reserves and the total reserves of the Company, including: (i) reviewing significant changes from prior period reports; (ii) reviewing key assumptions used or relied upon by the Firm; (iii) evaluating the quality of the reserve estimates prepared by both the Firm and the Company relative to the Company's peers in the industry; and (iv) reviewing any material reserves adjustments and significant differences between the Company's and Firm's estimates.
- 5.4 If the Committee deems it necessary, it shall meet in executive session with management and the Firm to discuss the oil and gas reserve determination process and related public disclosures, and any other matters of concern in respect of the evaluation of the reserves.

6. Reports and Assessments.

- 6.1. **Board Reports.** The Chair of the Committee shall, periodically, at his or her discretion, prepare a report to the Board on Committee actions and on the fulfillment of the Committee's responsibilities under this Charter, including the quality or integrity of the Company's reserves evaluations and reports, the Company's compliance with legal or regulatory requirements, and the qualifications, performance and independence of the Firm. This report shall be incorporated with and into the next regularly scheduled meeting of the Board.
- 6.2. **Charter Assessment.** The Committee shall periodically review and reassess the adequacy of the Charter and recommend any proposed changes to the Board for approval.
- 6.3. **Committee Self-Assessment.** The Committee shall annually conduct a self-assessment of the performance of its duties and responsibilities under this Charter during the prior year and shall report the results of such self-assessment to the Board.

While the Committee members have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under applicable law. In fulfilling its responsibilities, the Committee will rely to a significant extent on information and advice provided by management, consultants, advisors and counsel. It is not the duty of the Committee to conduct reviews or to determine that the Company's reserve estimates are complete and accurate and are in accordance with generally accepted engineering standards and applicable Securities and Exchange Commission rules and regulations, which is the responsibility of management and the independent reserve engineers. When the Committee takes an action, it shall exercise its independent judgment on the basis of such information and advice and other appropriate factors deemed by the Committee to be in the best interests of the Company and its stockholders.