



CALLON PETROLEUM COMPANY

CODE OF BUSINESS CONDUCT

AND ETHICS

ADOPTED MARCH 2004
AMENDED AND RESTATED EFFECTIVE JANUARY 24, 2018
FURTHER AMENDED AUGUST 14, 2018

I. GENERAL PRINCIPLES

Callon Petroleum Company (“*Callon*” or the “*Company*”) operates in accordance with the highest ethical standards and relevant laws. The Company places the highest value on the integrity of each of its employees and representatives. The Company’s culture demands not only legal compliance, but also responsible and ethical behavior. Unless otherwise specifically noted, the policies outlined in this Code of Business Conduct and Ethics (the “*Code*”) apply across the Company, in all states, regions and countries. This Code does not cover all Company policies or all laws or every issue that may arise, but it sets out basic principles to guide the Company’s directors, officers and other employees in complying with the legal and ethical requirements governing the Company’s business conduct. The Company’s agents and representatives, including consultants, are also required to abide by the Code.

Callon is committed to being a responsible corporate citizen. We must each maintain the highest ethical standards and comply with all applicable legal requirements when conducting Callon business. This Code is an integral part of that commitment. A commitment to doing the right thing and obeying the law, both in letter and in spirit, is the foundation upon which Callon’s Code is built. Callon’s integrity, reputation, and success ultimately depend upon the individual actions of our employees, directors, and anyone else acting on Callon’s behalf. This Code helps to define our ethical principles, but is not all-encompassing. It must be interpreted within the framework of the laws and customs of the jurisdictions in which we operate, considering specific Callon policies, core values, and using good judgment and common sense. This Code states Callon’s expectations for the conduct of employees and directors while acting on Callon’s behalf and also applies to contingent workers, temporary workers, consultants, representatives, agents, contractors, and subcontractors. We are each personally responsible and accountable for compliance and for applying this Code in good faith and with reasonable business judgment. We must try to avoid circumstances and actions that give even the appearance of impropriety.

If a local law conflicts with a policy in this Code, then you must comply with the law. If local custom or practice conflicts with this Code, then you must comply with this Code. If your line of business or region has a policy or practice that conflicts with this Code then you must comply with this Code. If your line of business or region has policies or practices that require more of you than is required by the Code or if local law requires more, then you must follow the stricter policy, practice or law. Think of this Code as a baseline, or a minimum requirement, which must always be followed. The only time you can go below the baseline is if a law absolutely requires you to do so or if a written exception has been obtained in the manner provided herein.

II. IMPLEMENTATION

Condition of Employment

Each employee must become familiar with and agree to comply with this Code as a condition of such employee’s employment. All officers and employees, regardless of level, will

be provided with a copy of this Code at the time their employment commences with the Company; provided, however, that individuals already employed by the Company at the time of the adoption of this Code will be provided with a copy of this Code shortly after its adoption. All managers are responsible both for ensuring that all employees under their supervision, regardless of level, are familiar with this Code and for promoting compliance with this Code.

Condition of Director Appointment/Election

Each director must become familiar with and agree to comply with this Code. All directors will be provided with a copy of this Code at the time of their appointment or election to serve on the Board.

Compliance Certificate

To support awareness and compliance, on an annual basis employees will be required to review the Code and execute an acknowledgement of receipt and understanding of the Code. Each new employee will be required to execute an Acknowledgement of Receipt of Employee Handbook and Code of Business Conduct and Ethics upon employment. You should read this Code carefully and ask any questions you may have.

Interpretation Questions

Directors, officers or employees who have questions on how to proceed or interpret this Code should consult their supervisor, an officer of the Company, Director of Human Resources, General Counsel or any other person(s) designated by the Board to supervise the application of this Code.

Violation of Policy

Compliance with this Code is essential. Those who violate the standards in this Code will be subject to disciplinary action, up to and including termination of employment. ***If you are aware of a situation which you believe may violate or lead to a violation of this Code, follow the reporting guidelines described in Section XVII of this Code.*** No adverse action will be taken against any officer or employee for making a complaint or disclosing in good faith information concerning any violation or suspected violation of this Code. Any officer or employee who retaliates in any way against an employee who in good faith reports any violation or suspected violation of this Code will be subject to disciplinary action, up to and including termination of employment.

III. COMPLIANCE WITH LAWS, RULES AND REGULATIONS.

Obedying the law, both in letter and in spirit, is the foundation on which this Company's ethical standards are built. All employees must respect and obey the laws of the cities, states and countries in which we operate. Although not all employees are expected to know the details of these laws, we are expected to understand the general legal and regulatory framework applicable to our job function and to know enough to determine when to seek advice from the Legal Department or supervisors or managers with respect to any compliance issue that may arise.

IV. CONFIDENTIALITY

The Company believes its confidential proprietary information is an important asset in the operation of its business and prohibits the unauthorized use or disclosure of this information. Confidential information is any information that is not in the public domain and which the Company intends or is obligated to protect from disclosure. It includes all non-public information concerning business and financial results and information that might be of use to competitors, or harmful to the Company or its customers, if disclosed. Confidential proprietary information includes for example, but is not limited to, seismic, geological and geophysical data, prospect and trend information, drilling programs or wells drilled by the Company, results, commercial agreements, intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as exploration, production and marketing plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. It also includes information that suppliers and customers have entrusted to us.

During and after employment by or service with the Company, directors, officers, and employees shall not divulge to third parties, or appropriate for their own use, or to the use of others, any confidential information obtained during employment or service for the Company. **Treat all Company information you possess as confidential, unless it has been publicly disclosed.** Unauthorized use or distribution of this information is a violation of Company policy. Such information is to be used solely for Company purposes and never for the private gain of a director, officer or employee (or any member of his or her family), or any third party.

We also must keep confidential the information that we learn about other companies (such as suppliers, customers, and business partners) in the course of Company business that is not generally available to the public. **Assume that any of this type of information received from an outside company or individual has been disclosed on the condition that it is kept confidential, whether or not a written confidentiality agreement exists.**

The obligation to preserve confidential information continues even after employment (or Board service, in the case of a director) ends. The Company's success is dependent upon the strict adherence by employees to this policy and all applicable standards and procedures.

Patents, Copyrights, Trademarks and Proprietary Information

Protection of the Company's intellectual property, including its patents, copyrights, trademarks, scientific and technical knowledge, know-how and the experience developed in the course of the Company's activities, is essential to maintaining the Company's competitive advantage. This information should be protected by all Company personnel and should not be disclosed to outsiders.

Much of the information the Company develops related to research, trade secrets, production, marketing, strategies, engineering, contract negotiations, and business methods and practices is original in nature and its protection is essential to our continued success. Such

proprietary/confidential information and trade secrets may consist of any formula, pattern, device or compilation of information maintained in secrecy which is used in business, and which gives that business an opportunity to obtain an advantage over competitors who do not know about it or use it. This information should be protected by all Company employees and not disclosed to outsiders. Its loss through inadvertent or improper disclosure could be harmful to the Company.

No Inadvertent Disclosures

Employees should be especially mindful in the use of the telephone, fax, telex, electronic mail, and other electronic means of storing and transmitting information and should refrain from disclosing confidential or proprietary information on the internet, including social networking sites, message boards, blogs and non-Callon email systems.

Employees should take every practicable step to preserve the Company's confidential information. For example, employees should not discuss material information in elevators, hallways, restrooms, restaurants, airplanes, taxicabs or any place where they can be overheard; read confidential documents in public places or discard them where they can be retrieved by others; leave confidential documents in unattended conference rooms; or leave confidential documents behind when the conference is over. Also, employees should be aware of the carrying quality of conversations conducted on speaker telephones in offices, and of the potential for eavesdropping on conversations conducted on mobile, car or airplane telephones, and other unsecured means of communication.

Many employees are required to sign agreements reminding them of their obligation not to disclose the Company's proprietary confidential information, both while they are employed and after they leave the Company. The loyalty, integrity and sound judgment of the Company's employees both on and off the job are essential to the protection of such information.

Competitive Information

Collecting information on our competitors from legitimate sources is proper and often necessary. However, there are limits to the ways information should be acquired. Practices such as industrial espionage, stealing and seeking confidential information from a new employee who recently worked for a competitor are not permitted.

V. CONFLICTS OF INTEREST AND CORPORATE OPPORTUNITY

General

All directors, officers and employees have the responsibility to ensure that business decisions are based solely on what is best for the Company and are not improperly influenced by personal interests. We prohibit conducting business when a conflict of interest exists (subject to specific guidelines that our Board approves). "Conflicts of interest" result from situations or activities which may benefit the employee, officer or director, or a member of his or her family, by virtue of his position with, or at the expense of, the Company. A conflict of interest exists when a person's private interest interferes in any way with the interests of the Company or makes it difficult for such person to perform his or her Company work objectively and

effectively. A conflict of interest may also exist if a family member's interest interferes with such person's independent exercise of sound judgment. Employees, officers and directors should avoid any action which may involve, or may appear to involve, a conflict of interest with the Company. Employees, officers and directors should not have any financial or other business relationships with suppliers, customers or competitors that might impair, or even appear to impair, the independence of any judgment they may need to make on behalf of the Company. In addition, actions of family members may create a conflict of interest. For example, doing business with an organization that is partially or fully owned by members of your family may create a conflict of interest.

Loans to, or guarantees of obligations of, the Company's directors, executive officers, or members of their families are specifically prohibited to the full extent required by applicable law or regulation or by the listing standards of the New York Stock Exchange. Company employees may obtain loans from financial institutions with which the Company does business (or that seek to do business with the Company) on arms-length terms available to similarly-situated individuals from the general public. Company employees may not otherwise obtain loans from, or accept guarantees of loans from, organizations that do business, seek to do business or compete with the Company.

Conflicts of interest are prohibited as a matter of Company policy, unless disclosed and approved in accordance with this Code. Actions or situations that might involve a conflict of interest, or the appearance of one, should be fully disclosed, including, but not limited to, the following:

- A financial interest in a vendor, contractor, customer or competitor. Ownership by an employee or, to the employee's knowledge, by a member of the employee's family of a financial interest in any outside enterprise which does or seeks to do business with, or is a competitor of, the Company. This provision does not apply to the ownership of the securities of a publicly traded entity as long as such ownership represents less than five percent (5%) of the outstanding securities.
- Employment of family members by vendors, contractors, customers or competitors. It is important to disclose under this Code if any members of your family are employed by vendors, contractors, customers or competitors of the Company.
- Perform outside work or otherwise engage in any outside activity or enterprise that may create a conflict with the Company's best interests.
- Take for themselves personally, opportunities that are discovered through the use of Company property, information and position;
- Use Company property, information or position for personal gain; or
- Compete with the Company. It is almost always a conflict of interest for a Company employee to work simultaneously for a competitor, customer, contractor or vendor. You are not allowed to work for a competitor as a consultant or board member. The

best policy is to avoid any direct or indirect business connection with our customers, contractors, vendors or competitors, except on the Company's behalf.

Non-employee directors are not prohibited from, and the Company renounces any interest or expectancy in, pursuing any opportunity that is presented to a non-employee director other than in such person's capacity as a director of the Company.

In addition, the Company's employees, officers and directors may not acquire any interest in outside entities, properties or assets in which the Company has an interest or potential interest. This includes oil and natural gas leases, rights or royalties, including interests acquired as an inheritance or gift, particularly, but not limited to, instances in which the Company is the operator of the lease or well(s), securities in businesses being considered for acquisition, or real estate at or near possible new or expanded Company facilities. If a family member of the employee, officer or director engages in an activity that would be considered a "conflict of interest" if the related employee, officer or director were to undertake it, then a "conflict of interest" shall be deemed to exist with respect to such employee, officer or director.

Reporting Conflicts of Interest Involving Non-Officer Employees

Employees are under a continuing obligation to disclose to their supervisors or the General Counsel any situation that presents the possibility of a conflict or disparity of interest between the employee and the Company. Actual or potential conflicts of interest involving a non-officer employee, or a member of such person's immediate family, must be reported in writing by the affected person (or by others having knowledge of the existence of the actual or potential conflicts of interest) to the employee's immediate supervisor or the General Counsel. The Company's General Counsel will determine whether a conflict of interest actually exists and require measures to be taken to neutralize the adverse effect of the conflict of interest reported, if such measures are available or appropriate under the circumstances. An employee's conflict of interest may only be waived if both the General Counsel and the employee's supervisor waive the conflict in writing.

Reporting Conflicts of Interest Involving Directors or Officers

Officers and directors are under a continuing obligation to disclose to the Board of Directors any situation that presents the possibility of a conflict or disparity of interest between such officer or director and the Company. An actual or potential conflict of interest involving a director or officer, or a member of such person's immediate family, must be reported by the affected person (or by others having knowledge of the existence of the actual or potential conflict of interest) to the Company's General Counsel, who shall promptly disclose the possible conflict of interest to the Board at the earliest time practicable under the circumstances. The possible conflict of interest will be made a matter of record, and the Board will determine whether the possible conflict of interest indeed constitutes a conflict of interest. An officer's or a director's conflict of interest may only be waived if the Nominating and Corporate Governance Committee approves the waiver and the full Board of Directors ratifies the waiver. Disclosure of any potential conflict is the key to remaining in full compliance with this policy.

VI. CUSTOMER, SUPPLIER AND COMPETITOR RELATIONS

The Company is committed to conducting its business in accordance with the highest ethical standards and seeks to outperform its competition fairly and honestly. The Company seeks competitive advantages through superior performance and thus will treat customers, business allies, competitors and suppliers fairly and will not engage in unethical or illegal business practices. Examples of such unethical or illegal business practices include taking unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice. Additionally, no director, officer, employee or representative of the Company shall offer, pay, request or accept a bribe, kickback, item of value, or improper favor in order to secure a business advantage.

Permissible Payments

The payment of normal discounts and allowances, commissions, fees, sales promotion activity, entertainment and the extension of services and other customary courtesies in the ordinary course of business is permissible so long as it is consistent with this Policy, has been authorized by the individual's supervisor and is properly recorded. If a customer, supplier, vendor or government agency has adopted a more stringent policy than the Company's regarding gifts and gratuities, then the Company's representative must comply with that more stringent policy when dealing with that person or entity (see below for a discussion of gifts to government representatives).

Bribes

No illegal payment in any form (whether funds or assets) shall be made directly or indirectly to anyone for the purpose of obtaining or retaining business or to obtain any other favorable action. It is imperative that each and every person who does business with the Company understands that we will not, under any circumstances, give or accept bribes or kickbacks. No gift may be given to a supplier, vendor or customer unless the gift has insubstantial value and a refusal to accept it would be discourteous or otherwise harmful to the Company. The key is to keep an arm's length relationship and avoid excessive or lavish gifts or events that may give the appearance of undue influence. A violation of this policy will subject the employee to disciplinary action as well as potential criminal prosecution.

Gifts

Gifts in a commercial setting are intended to create goodwill and sound working relationships. They can also, however, impair your objectivity, create an actual or perceived conflict of interest and damage the Company's reputation for fair dealing. No gift should be accepted from a supplier, vendor or customer unless the gift has insubstantial value and a refusal to accept it would be discourteous or otherwise harmful to the Company. The key is to keep an arm's length relationship and avoid excessive or lavish gifts or events that may give the appearance of undue influence. This applies equally to gifts to suppliers or vendors or non-governmental customers (see below for a discussion of gifts to government representatives).

Entertainment

Appropriate business entertainment of non-government employees occurring in connection with business discussions or the development of business relationships is generally deemed appropriate in the conduct of official business. This may include business-related meals and trips, refreshments before or after a business meeting, and occasional athletic, theatrical or cultural events at which a company employee is present and entertaining the customer, supplier, vendor or other party. Entertainment in any form that would likely result in a feeling or expectation of personal obligation should not be extended or accepted. This applies equally to giving or receiving entertainment.

Government Representatives

What is acceptable practice in the commercial business environment, may be against the law or the policies of federal, state or local governments. Therefore, no gifts or business entertainment of any kind may be given to any government employee without the prior approval of the General Counsel, except for items of nominal value (i.e., pens, coffee mugs, etc.).

In addition, a U.S. law, the Foreign Corrupt Practices Act (FCPA) prohibits the Company or anyone acting on behalf of the Company from making a payment or giving a gift to a non-U.S. government official for purposes of obtaining or retaining business. The FCPA applies to the Company everywhere in the world where we do business and even applies to you if you are not a U.S. citizen.

Facilitating Payments

In addition, the FCPA recognizes that in a number of countries, tips and gratuities of a minor nature are customarily required by lower level governmental representatives performing ministerial or clerical duties to secure the timely and efficient execution of their responsibilities (e.g., customs clearances, visa applications, installation of telephones, and exchange transactions). If you encounter a situation where an expediting or facilitating payment is requested in order to expedite or advance a routine performance of legitimate duties, then you are required to contact the General Counsel for its analysis under the FCPA and to report any payments to Accounting.

Third Party Agents

The Company's business may involve the use of agents, consultants, brokers or representatives in connection with its dealing with governmental entities, departments, officials and employees. Such arrangements may not be employed to channel payoffs to government entities or officials or otherwise violate the FCPA.

Compliance with Antitrust Laws

U.S. antitrust laws promote business competition and prevent activities among competitors that could unfairly control a market and, thus, harm consumers. The laws achieve this objective by prohibiting unreasonable and unfair restraints of trade, both in the United States

and elsewhere. The Company is committed to abiding by the antitrust laws of every jurisdiction in which the Company does business. All Company employees are expected to comply with applicable federal, state and foreign antitrust laws. All mergers, acquisitions, strategic alliances, and other types of extraordinary business combinations which raise concerns of market domination or abuse, should receive timely legal review to assure that the Company competes aggressively, but not unlawfully. When any doubt exists as to the legality of any action or arrangement, the matter should be discussed with the General Counsel. Any proposed activities or agreements with potentially anti-competitive consequences must be reviewed in advance by the General Counsel.

Agreements with Competitors

Formal or informal agreements with competitors that seek to limit or restrict competition in some way could be illegal. Unlawful agreements include those which seek to fix or control prices; allocate products, markets or territories; or boycott certain customers or suppliers. To ensure compliance with antitrust law, discussions with competitors regarding any of these potential agreements is a violation of Company policy and will subject the employee to disciplinary action as well as the potential for criminal prosecution.

Agreements with Customers

Certain understandings between the Company and a customer are also considered anti-competitive and illegal. These include agreements that fix resale prices or that result in discriminatory pricing between customers for the same product. These types of restrictive understandings must not be discussed or agreed to with a customer.

International Application

International operations of the Company may be subject to the antitrust laws of the United States. Advice on this subject as well as similar requirements under other applicable jurisdictions should be sought from the General Counsel.

VII. INSIDER TRADING

Using material nonpublic information about the Company or any other company to buy or sell securities is unethical and illegal. All non-public information about the Company or its business should be considered confidential information. Federal law and Company policy prohibit employees, directly or indirectly through their families or others, from purchasing or selling Company securities while in the possession of material, non-public information concerning the Company until such information is made generally and publicly available by means of a press release or other public filing or disclosure by the Company. Information is considered material if it might be considered important to an investor in deciding whether to buy, sell or hold securities. Such material “inside information” might include, among other things, earnings information, information regarding stock and dividend activity, changes of control or management, pending mergers, sales or acquisitions, reserve discoveries or other significant business information or developments. Providing such inside information to others who then trade on it is also strictly prohibited. Trading on inside information and “tipping” such

information to others who trade on such information are also violations of federal securities law. This same prohibition applies to trading in the securities of other publicly held companies on the basis of material, non-public information.

Pursuant to Section 16 of the Securities Exchange Act of 1934, as amended, most purchases or sales of the Company's securities by directors, executive officers and 10% stockholders must be disclosed within two business days of the transaction. Directors, officers and employees who are subject to these reporting requirements must comply with the Company's short-swing trading and reporting policy.

The Company's Insider Trading Policy aligns with these securities law restrictions. **All directors, officers employees, contractors and consultants shall comply with the Company's Insider Trading Policy, which is attached hereto as Addendum A and incorporated herein by reference.** If you have any questions concerning this, please consult the Company's General Counsel.

VIII. RECORD MANAGEMENT

Records are information assets that hold value for our Company. They are evidence of the organization's daily business activities and include all recorded information in every medium (i.e. reports, emails, memos, contracts, financial statements, logs, leases, personnel files, etc.). Reliable and accessible records and information are important to the success of our Company and help us operate more efficiently. Records must be maintained to comply with applicable statutory, regulatory or contractual requirements, as well as those pursuant to prudent business practices. It is Company policy that no records that are the subject of or related to litigation or an ongoing or impending investigation shall be destroyed by any employee or agent of the Company.

IX. RECORDING TRANSACTIONS

The integrity of the Company's record-keeping and reporting systems is of the utmost importance. The Company shall make and keep books, invoices, records and accounts that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company. Each employee shall maintain accurate and fair records of transactions, time reports, expense accounts, and other Company records. Employees, officers and directors must use special care to make sure that records are accurately and completely prepared and reviewed, whether they are intended for internal use or for an external party, including any governmental authorities. The Company has devised and maintains a system of internal controls sufficient to provide reasonable assurances that transactions are properly authorized, executed, and recorded. We are required to report externally on the effectiveness of our internal controls over financial reporting on an annual basis. Internal controls provide a system of checks and balances to facilitate compliance with applicable policies, regulations, and laws. Each employee is required to follow and comply with those internal controls provisions. Failure to observe, or attempts to circumvent, the Company's system of internal controls will be subject to disciplinary action, up to and including termination of employment.

Company Records

All Company books, records, accounts, funds and assets must be maintained to reflect fairly and accurately the underlying transactions and disposition of Company business in reasonable detail. No entries will be made that intentionally conceal or disguise the true nature of any Company transaction.

In this respect, the following guidelines must be followed:

- No unrecorded or “off the books” funds or assets should be established for any purpose;
- No false, misleading or fictitious invoices should be paid or created;
- No false or artificial entries should be made or misleading reports issued;
- Assets and liabilities of the Company shall be recognized and stated in accordance with the Company’s standard practices and GAAP;
- No material failure to make entries should be permitted; and
- The documentation evidencing each transaction and each payment on behalf of the Company shall fairly represent the nature of such transaction or the purpose of such payment.

If an employee believes that the Company’s books and records are not being maintained in accordance with these requirements, the employee should immediately report the matter directly to their supervisor, General Counsel or to the Chief Financial Officer.

X. USE OF COMPANY ASSETS

The Company’s assets are to be used only for the legitimate business purposes of the Company and its subsidiaries and only by authorized employees or their designees. Use or access to Company property for any unlawful or improper purpose is strictly prohibited. All directors, officers and employees should endeavor to protect the Company’s assets and ensure their proper and efficient use. Protecting company assets against loss, theft and misuse is every employee and director’s responsibility. The Company’s assets include tangible items (such as production facilities, tools, vehicles, equipment, records, computers and furniture), and nontangible items (such as information). If you become aware of the theft or misuse of Company assets, immediately report the matter to your supervisor or the General Counsel for review. The use of Company time, materials, assets or facilities for purposes not directly related to Company business, or the removal or borrowing of Company property without permission, is prohibited. You should use and maintain the Company’s assets with care and respect, while guarding against waste and abuse.

Electronic Communications

The Company maintains appropriate telecommunications systems, computer hardware, email and instant messaging systems, software, and internet access to assist in conducting Company business. These systems and the information stored or exchanged on them are Company property, and users of the systems waive their right to privacy. All use of Company systems and equipment must comply with the Acceptable Use Policy.

Intellectual Property

To the extent permitted under applicable law, employees, contractors and temporary employees shall assign to the Company any invention, work of authorship, composition or other form of intellectual property created during the period of employment.

XI. FAIR DISCLOSURE POLICY

The Company is committed to fair disclosure of information to its shareholders, the financial community, and the public. The Company and its management team believe it is in the Company's best interest to maintain an active and open communication with shareholders and potential investors regarding the Company's historical performance and future prospects. The Company can create shareholder value by publicly articulating its strategies, business strengths, and growth opportunities. The Company is also aware of its need for confidentiality about details of key business and operating strategies. In addition, any reports or information provided on the Company's behalf to federal, state, local or foreign governments should be true, correct and accurate. Any omission or misstatement could result in a violation of the reporting laws, rules and regulations.

Authorized Spokespersons

The Company speaks to the financial community and its shareholders through authorized representatives. Only our Chief Executive Officer, Chief Financial Officer, Investor Relations Department, and individuals specifically authorized by them may discuss Company matters with investors, analysts, securities market professionals and major stockholders of the corporation. Other employees and contractors must direct inquiries from the investment community and the media to members of the Investor Relations Department and must not attempt to handle these inquiries without their prior authorization.

No employee is authorized to communicate business or financial information about the Company that is non-public, material information, except through Company sanctioned public disclosure or for business purposes under a non-disclosure agreement.

The Company endeavors to make appropriate announcements and to conduct interviews with the media about its business and significant developments. Appropriate training will be provided to each authorized representative on compliance with the policy, review of public statements regarding material information, and procedures for disclosing non-public information.

XII. FINANCIAL CODE OF ETHICS

The Company's financial and accounting officers and managers, including the Company's Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer, and principal accounting officer or Controller, (collectively, the "*Senior Financial Officers*") hold an important and elevated role in corporate governance. As part of the corporate leadership team, the Senior Financial Officers are vested with both the responsibility and authority to protect, balance, and preserve the interests of all of the Company's stakeholders, including stockholders, clients, employees, suppliers, and citizens of the communities in which business is conducted. The Company's Code of Ethics for the Senior Financial Officers contains the ethical principles by which the Chief Executive Officer, Chief Financial Officer, principal accounting officer or Controller, or, if no person holds any such offices, the person or persons performing similar functions, are expected to conduct themselves when carrying out their duties and responsibilities. The Code of Ethics for the Senior Financial Officers is attached hereto as **Addendum B** and is incorporated herein by reference.

XIII. POLITICAL ACTIVITY AND CONTRIBUTIONS

It is Company policy that no corporate funds may be used to make political contributions of any kind to any candidate or political party. This prohibition covers not only direct contributions, but also indirect assistance or support of candidates or political parties through the purchase of tickets to special dinners or other fund-raising events, and the furnishing of any other goods, services or equipment to political parties or committees. However, the policy does not prohibit the formation of a Political Action Committee sponsored by the Company to the extent that federal and state law permits it. Political contributions or activities by individuals on their own behalf are, of course, permissible. No person may be reimbursed directly or indirectly by the Company for any political contribution or for the cost of attending any political event. In addition, employees may not be given time off with pay for political activity.

XIV. EQUAL EMPLOYMENT OPPORTUNITY AND ANTI-HARASSMENT

The Company values the diversity of its employees and is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Company policies are designed to ensure that all employees are treated fairly and with respect and dignity, by the Company and each other. We will hire, evaluate, transfer, compensate and promote employees based on skills, merit and performance, not on unlawful considerations. We are firmly committed to providing equal opportunity in all aspects of employment to all qualified persons and firmly committed to providing a workplace free of discrimination, harassment or segregation based on sex, gender, race, color, religion, national origin, citizenship status, age, disability, marital or veteran status, genetic information, sexual orientation, or any other legally-protected status under applicable law. This includes providing reasonable accommodation for employees' disabilities or religious beliefs or practices. The Company prohibits any form of harassment and thus offensive or hostile working conditions created by such sexual or other harassment or discrimination will not be tolerated and should be reported to the Director of Human Resources. This Section XIV extends to every phase of the employment process, including recruiting, hiring, training, promotion, compensation, benefits,

transfers, discipline, termination, layoffs, recalls, and company-sponsored educational, social, and recreational programs, as applicable.

XV. WORKPLACE SAFETY, HEALTH AND PROTECTION OF THE ENVIRONMENT

The Company strives to provide each employee with a safe and healthy work environment. Each employee has a responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. The Callon values reflect our culture of safety and responsible environmental stewardship. We strive to ensure the health and safety of everyone working with us.

Workplace Safety

The Company's greatest asset is its people; this means safety is a core value. We are committed to the highest level of safety and security. Our goal is zero workplace injuries and occupational illnesses. We expect compliance with all applicable laws as well as Company safety procedures. No activity is so important that we cannot take the time to do it safely. We must all do our work in a way that minimizes risk to our fellow employees, contractors and others impacted by our actions. If at any time you do not feel that you or a co-worker can perform a job safely, you have stop-work authority to immediately stop the work and talk with your supervisor. If a safety incident occurs, be sure to report it promptly. It is important to share best practice and near miss information, so we can learn from each other and improve safety practices. We will continually seek opportunities to improve safety, environmental, and regulatory compliance performance, and honor our responsibilities as a corporate citizen.

Health

Violence and threatening behavior are not permitted. If you become aware of any threat to safety, report it immediately. Firearms and other weapons are strictly prohibited on Company property or on the person of an employee while conducting Company business, unless authorized in writing for special circumstances by the General Counsel. Any acts or threats of violence should be reported immediately. In order to protect our work environment, the Company reserves the right to conduct searches on its property and to authorize searches by law enforcement on its property, in either case with or without employees being present. As circumstances warrant and as is consistent with applicable law, any person or vehicle entering a Company facility is subject to search.

The Company is committed to maintaining a productive, safe and healthy work environment free of unauthorized drug and alcohol use. Employees should report to work in condition to perform duties, free from the influence of illegal drugs or prohibited concentrations of alcohol. The use, possession or distribution of illegal or unauthorized drugs on Company time or on Company premises is prohibited. The consumption or possession of alcohol in unsealed or opened containers on Company premises is prohibited, except in limited circumstances with pre-approval by a Company officer or manager. The Company has adopted a Drug and Alcohol Policy, and all employees are expected to review and comply with that policy.

Protection of the Environment

The Company is committed to safeguarding the environment and conducting our business in a manner designed to comply with all applicable environmental laws and regulations, and applying responsible standards where such laws or regulations do not exist. We must comply with all applicable environmental laws and regulations wherever we do business and should strive to exceed the minimum legal requirements. We will work with governmental agencies, the communities in which we operate and responsible non-governmental organizations to enhance our environmental performance.

XVI. REPORTING VIOLATIONS OF COMPANY POLICIES

We are each responsible for using common sense and good judgment, along with this Code, to govern our behavior. Company directors, officers and employees have the responsibility to report violations of this Code or applicable laws and regulations and are expected to cooperate in investigations of such reports. There are no easy answers to many ethical issues we face in our daily business activities. In some cases the right thing to do will be obvious, but in other more complex situations, it may be difficult for an employee to decide what to do. When an employee encounters a situation that may involve illegal or unethical behavior or a violation of the Code or other policy or is faced with a tough ethical decision or whenever they have any doubts as to the right thing to do, they should talk to someone else such as their supervisor, another manager, the General Counsel or the Director of Human Resources. Employee matters will generally be referred to Human Resources, financial issues will be referred to the Chief Financial Officer and Internal Audit, safety and environmental issues will be referred to HS&E, and other matters under the Code will be addressed by the General Counsel.

The Company has also established a system for reporting violations of any of the Company policies, as well as any suspected illegal activity or misconduct by any employee or representative of the Company. This may be done anonymously by calling the Company's toll-free Ethics Hotline at 1-844-471-7637. Complaints may also be filed anonymously at the following website: callon.ethicspoint.com

In the event the violation involves the conduct of an officer or director of the Company, or questionable audit or accounting matters, the matter should be reported to the Company's toll-free Ethics Hotline at 1-844-471-7637. Or alternatively, complaints may be filed online at the following website: callon.ethicspoint.com. Anyone reporting a suspected violation may remain anonymous.

Non-Retaliation

Employees, officers and directors are expected to cooperate in reporting possible Code violations and in internal investigations of possible Code violations or other unethical or illegal conduct. Reports will be promptly investigated. Confidentiality will be maintained to the greatest extent possible, consistent with the law and the Company's obligation to conduct a fair and thorough investigation. **The Company will not permit any form of retribution or retaliation against any person, who, in good faith, reports known or suspected violations of the Code**

or suspected illegal or unethical conduct. It is a violation of this Code for anyone to be discriminated against or harassed for contacting his or her supervisor, upper management, the General Counsel, or the Chairman of the Audit Committee with a good faith report of a suspected violation of law or policy. Any officer or employee who retaliates in any way against an employee who in good faith reports a violation or suspected violation of the Code will be subject to disciplinary action, which may include termination of employment. If you feel that you are being retaliated against in violation of this policy, please follow the procedures for reporting violations. However, making a report knowing it is false or willfully disregarding its truth or accuracy, or engaging in any other bad faith use of the reporting system, violates this Code.

XVII. WAIVER

This Code may be amended, modified or waived by the Board of Directors, subject to the provisions of the Securities Exchange Act of 1934, and the rules thereunder, and the applicable rules of the New York Stock Exchange. Waivers of the Code are disfavored and will only be granted when exceptional circumstances apply. Waivers of any provision of this Code for officers or directors shall be made by the Nominating and Corporate Governance Committee, provided that such committee may defer such matters to the full board. Persons seeking a waiver should be prepared to disclose all relevant facts and circumstances, respond to inquiries for additional information, explain why a waiver is necessary, appropriate or in the best interest of the Company and comply with any procedures that may be required to protect the Company in connection with the waiver. If a waiver of this Code is granted for an executive officer or director, appropriate disclosure will promptly be made in accordance with applicable laws, rules and regulations (including the listing standards of the New York Stock Exchange). Only the Company's Chief Executive Officer may waive provisions of this Code for other employees of the Company.

ADDENDUM A

CALLON PETROLEUM COMPANY

INSIDER TRADING POLICY

As Amended by the Board of Directors as of January 24, 2018

Purpose

This Insider Trading Policy (the “Policy”) provides guidelines with respect to transactions in the securities of Callon Petroleum Company (the “Company”) and the handling of confidential information about the Company and the companies with which the Company does business. The Company’s Board of Directors has adopted this Policy to promote compliance with federal and state securities laws that prohibit certain persons who are aware of material nonpublic information about a company from: (i) trading in securities of that company; or (ii) providing material nonpublic information to other persons who may trade on the basis of that information.

This Policy describes:

- The federal laws prohibiting insider trading;
- The Company’s securities trading policy;
- The Company’s blackout period policy for officers, directors and designated employees; and
- The Company’s compliance program for officers, directors and designated employees, including pre-clearance procedures.

Noncompliance with the securities laws or any of the Company’s insider trading policies described below constitute grounds for disciplinary action, which may include termination of employment.

Persons Subject to the Policy

All of the officers, directors, employees, contractors and consultants of the Company and its subsidiaries are subject to this Policy. In addition, this Policy also applies to family members, other members of a person’s household and entities controlled by a person covered by this Policy.

Transactions by Family Members and Others

This Policy applies to your family members who reside with you (including a spouse, a child, a child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws), anyone else who lives in your household, and any family members who do not live in your household but whose transactions in Company securities are directed by you or

are subject to your influence or control, such as parents or children who consult with you before they trade in Company securities (collectively referred to as “family members”). You are responsible for the transactions of these other persons and therefore should make them aware of the need to confer with you before they trade in Company securities, and you should treat all such transactions for the purposes of this Policy and applicable securities laws as if the transactions were for your own account. This Policy does not, however, apply to personal securities transactions of family members where the purchase or sale decisions is made by a third party not controlled by, influenced by or related to you or your family members.

Transactions by Entities that You Influence or Control

This Policy applies to any entities that you influence or control, including any corporations, partnerships or trusts (collectively referred to as “controlled entities”), and transactions by these controlled entities should be treated for the purposes of this Policy and applicable securities laws as if they were for you own account.

Explanation of the Law

What is Material, Nonpublic Information?

U.S. federal securities laws make it illegal for any person to buy or sell a company’s securities at a time when that person may possess “material, nonpublic information” relating to such company. This conduct is known as “insider trading.” “Nonpublic information” is information about a company that is not known to the general public. Information is deemed “material” if it could affect the market price of a security (i.e., stock, option, bond, etc.) or if a reasonable investor would attach importance to the information in deciding whether to buy, sell or hold a security. Information is considered “public” only if it has been effectively disclosed to the investing public (by press release or SEC filing, for example) and enough time has elapsed (generally, the second trading day after disclosure) to permit the investment market to absorb and evaluate the information.

Material, nonpublic information can include information that something is likely to happen – or just that it might happen. Examples of material, non-public information with respect to a company include, among other things, non-public information about:

- Earnings, operating or other financial results;
- Material changes in revenues or operations;
- Estimates or projections by the company’s officers of future earnings or losses;
- Stock splits or other recapitalizations;
- Changes in management;
- A proposed stock or bond offering;
- Redemptions or repurchases by the company of its securities;
- Events or business operations which are likely to affect future revenues or earnings(for example, acquisitions and dispositions of properties, discoveries of oil and gas, and the execution of important contracts with partners or other parties);
- Plans for substantial capital investments;

- The prospect of significant litigation or developments in a major litigation matter; or
- Any other information which is likely to have a significant impact on the company's financial results or stock price.

In the case of the Company, material, nonpublic information is not limited to information about the Company itself. It also includes material, non-public information about others, including the Company's partners, service providers and other companies with which we have relationships.

Prohibitions Relating to Material, Nonpublic Information.

Sale or Purchase of Securities. It is unlawful for someone having material, nonpublic information regarding a company to buy or sell securities of that company, whether in the form of common stock, other company stock which might be issued in the future, options or any other type of security, and, whether directly or indirectly, through a third person, 401(K) plan, IRA trust or otherwise.

Tipping. It is unlawful for someone having material, nonpublic information to pass it on to a friend, relative or anyone else that buys or sells a security on the basis of that information. This area of activity is often referred to as "tipping." Similarly, it is also unlawful to suggest buying or selling a security while in possession of material, nonpublic information but without actually disclosing such information. If damages are incurred for a tipping violation, often the "tipper" (the informant) is liable for the "tippee's" profits and other damages.

Controlling Person Liability. It is also unlawful for certain persons to fail to prevent insider trading by others. A "controlling person" may be liable for civil penalties under the insider trading laws for the violations of another if the controlling person both (1) knew or recklessly disregarded the fact that an employee was likely to engage in a violation and (2) failed to take appropriate steps to prevent that violation before it occurred. A controlling person includes not only employers, such as the Company, but also individual employees with managerial or supervisory responsibilities over the violator and, in some cases, officers, directors and controlling shareholders of the employer.

Consequences of Violation. In recent years, the SEC has vigorously prosecuted insider trading violations by both institutions and individuals. The penalties, including criminal penalties, are severe, even for violations resulting in relatively small profits. Criminal penalties can result in up to 10 years of imprisonment. The maximum civil penalty for each violation is the higher of \$1,000,000 or three times the gains made or losses avoided from insider trading. Finally, because of the importance of this Policy, any violation may be cause for immediate dismissal from the Company.

Statement of Securities Trading Policy

Whenever a director, officer, or employee, or any party retained by the Company in any capacity, has or is aware of material non-public information relating to the Company or any other company, including any of our partners or service providers, our Policy and the securities laws

provide that such person may not, directly or indirectly, (1) buy, sell or execute other transactions in the securities of the Company or such other company, (2) disclose such material nonpublic information to others within or outside the Company unless there is a significant and justifiable business need to do so and (3) authorize, recommend or permit any family member, any controlled entity of such person, anyone acting on his or her behalf, or anyone known to have such information, to purchase or sell such securities.

Individual Responsibility

Persons subject to this Policy have ethical and legal obligations to maintain the confidentiality of information about the Company and to not engage in transactions in Company securities or other securities while in possession of material nonpublic information about such company. Each individual is responsible for making sure that he or she complies with this Policy, and that any family member, or controlled entity of such person, as discussed below, also complies with this Policy. In all cases, the responsibility for determining whether an individual is in possession of material nonpublic information rests with that individual, and any action on the part of the Company, the Compliance Officer (as defined herein) or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws. You could be subject to severe legal penalties and disciplinary action by the Company for any conduct prohibited by this Policy or applicable securities laws.

Transactions Under Company Plans

This Policy does not apply in the case of the following transactions, except as specifically noted:

Stock Option Exercises. This Policy does not apply to the exercise of an employee stock option acquired pursuant to the Company's plans, or to the exercise of a tax withholding right pursuant to which a person has elected to have the Company withhold shares subject to an option to satisfy tax withholding requirements. This Policy does apply, however, to (1) any sale of the net shares acquired through such exercise (after payment of exercise price and tax withholding) and (2) any sale of stock as part of a broker-assisted (i.e., not direct with the Company) cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

Restricted Stock Awards. This Policy does not apply to the vesting of restricted stock, or the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock. The Policy does apply, however, to any market sale of restricted stock.

401(k) Plan. This Policy does not apply to purchases of Company securities in the Company's 401(k) plan resulting from your periodic contribution of money to the plan pursuant to your payroll deduction election. This Policy does apply, however, to certain elections you may make under the 401(k) plan, including: (a) an election to increase or decrease the percentage of your periodic contributions that will be allocated to the Company stock fund; (b) an election to

make an intra-plan transfer of an existing account balance into or out of the Company stock fund; (c) an election to borrow money against your 401(k) plan account if the loan will result in a liquidation of some or all of your Company stock fund balance; and (d) an election to pre-pay a plan loan if the pre-payment will result in allocation of loan proceeds to the Company stock fund.

Special and Prohibited Transactions

Market Timing or “Day Trading.” Market timing, or frequent short-term trading of Company securities, is viewed negatively by regulators. The SEC and other regulators have taken steps to stop market timing practices and punish people who have broken the insider trading laws through market timing. In light of this close scrutiny, **frequent and excessive trading in Company securities is prohibited**, especially during periods surrounding the Company’s scheduled release of financial results. The Company reserves the right to investigate whether market timing is taking place in Company-sponsored benefit plans, including the 401(k) plan.

Hedging Transactions. Hedging or monetization transactions can be accomplished through a number of possible mechanisms, including through the use of financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds. Such hedging transactions may permit a director, officer or employee to continue to own Company securities obtained through employee benefit plans or otherwise, but without the full risks and rewards of ownership. When that occurs, the director, officer or employee may no longer have the same objectives as the Company’s other shareholders. **Therefore, directors, officers and employees are prohibited from engaging in any such transactions.**

Margin Accounts and Pledged Securities. Securities held in a margin account as collateral for a margin loan may be sold by the broker without the customer’s consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledger is aware of material nonpublic information or otherwise is not permitted to trade in Company securities, **directors, officers and other employees are prohibited from holding Company securities in a margin account or otherwise pledging Company securities as collateral for a loan.** (Pledges of Company securities arising from certain types of hedging transactions are governed by the paragraph above captioned “Hedging Transactions.”)

Standing and Limit Orders. Standing and limit orders (except standing and limit orders under approved Rule 10b5-1 plans) create heightened risks for insider trading violations similar to the use of margin accounts. There is no control over the timing of purchases or sales that result from standing instructions to a broker, and as a result the broker could execute a transaction when a director, officer or other employee is in possession of material nonpublic information. The Company therefore discourages placing standing or limit orders on Company securities. If a person subject to this Policy determines that they must use a standing order or limit order, the order should be limited to short duration.

Short Sales. Short sales of Company securities (i.e., the sale of a security that the seller does not own) may evidence an expectation on the part of the seller that the securities will decline in value, and therefore have the potential to signal to the market that the seller lacks confidence in the Company's prospects. In addition, short sales may reduce a seller's incentive to seek to improve the Company's performance. For these reasons, **short sales of Company securities are prohibited.**

Publicly-Traded Options. Given the relatively short term of publicly-traded options, transactions in options may create the appearance that a director, officer or employee is trading based on material nonpublic information and focus a director's, officer's or other employee's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, **transactions in put options, call options or other derivative securities on an exchange or in any other organized market are prohibited by this Policy.**

Blackout Periods

Quarterly Blackout Periods (Applicable only to Officers, Directors and Designated Employees)

All officers, directors and such additional persons ("Designated Employees") as designated by the Compliance Officer (in consultation with the Chief Executive Officer and the Chief Financial Officer), as well as their family members and controlled entities, may not conduct any transactions involving the Company's securities (other than as specified by this Policy), during a "blackout period" beginning on the first day after the close of each fiscal quarter and ending on the second trading day following the date of the public release of the Company's earnings results for that quarter. This policy is based on the presumption that, during the blackout period, you may have access to the quarter's financial results, which are deemed material, non-public information until they are disseminated into the marketplace.

Blackout period trading restrictions do not apply to those transactions to which this Policy does not apply, as described above under the heading "Transactions Under Company Plans."

Event-Specific Blackout Periods

The Compliance Officer, in consultation with the Chief Executive Officer and the Chief Financial Officer, has the discretion to shorten or lengthen a blackout period, close or reopen the trading window for particular officers, directors or employees, or to close or reopen the window if the Compliance Officer determines that doing so is reasonable or advisable in the circumstances. In addition to the quarterly blackout period, the Compliance Officer, in consultation with the Chief Executive Officer and the Chief Financial Officer, may from time to time impose other blackout periods upon notice to those persons affected, who may include officers, directors, Designated Employees and other employees.

Compliance Program
(Applicable only to Officers, Directors and Designated Employees)

In an attempt to assist officers', directors' and Designated Employees' compliance with this Policy and applicable laws, and avoid inadvertent violations, the Company has implemented the following Compliance Program which officers, directors and Designated Employees are required to observe.

Window Periods. All sales, purchases and other transactions of any kind (other than those in which the Company is the buyer or seller for its own account or transactions made pursuant to an approved, established trading plan as described below) in Company securities can only be made by you if all of the following conditions are met:

- The transaction is effected during the open window between quarterly or discretionary blackout periods;
- You are not then in possession of "material, nonpublic information"; and
- You receive prior authorization (pre-clearance) to conduct the transaction from the Compliance Officer.

Pre-Clearance Procedures. Officers, directors, and Designated Employees, as well as the family members and controlled entities of such persons, may not engage in any transaction in Company securities without first obtaining pre-clearance of the transaction from the Compliance Officer. Specifically:

- Any proposed transaction must be submitted to the Compliance Officer at least two full trading days in advance of the proposed transaction.
- Any confirmation must not have been revoked by oral, email or other written notice from the Compliance Officer.
- Pre-cleared trades must be completed within five full trading days of receipt of pre-clearance unless an exception is granted by the Compliance Officer. Transactions not completed within the time limit are subject to pre-clearance again.
- The Compliance Officer is under no obligation to approve a transaction submitted for pre-clearance.
- If a person seeks pre-clearance and permission to engage in the transaction is denied, then he or she should refrain from initiating any transaction in Company securities, and should not inform any other person of the restriction.
- You are responsible for ensuring that you do not have material nonpublic information about the Company before engaging in a transaction and that you comply with any and all other legal obligations.
- You should indicate whether you have effected any non-exempt "opposite way" transactions within the prior six months.
- The Compliance Officer's approval of a transaction submitted for pre-clearance does not constitute legal advice, does not constitute confirmation that you do not possess material nonpublic information and does not relieve you of any of your legal obligations.

Established Trading Plans. The Compliance Officer must pre-approve any plan, arrangement or trading instructions (including, but not limited to, Rule 10b5-1 plans) involving potential sales, purchases or option exercises of Company securities by an officer, director or Designated Employee. Any such plan, arrangement or instructions must be submitted for approval at least five (5) business days prior entry into same. You must still adhere to this prior approval procedure even where, for example, you are assured that a major law firm has blessed the trading arrangement that a brokerage firm or bank may be suggesting. (Note that the actual transactions effected pursuant to a pre-approval plan will not be subject to the Company's pre-clearance procedures, quarterly trading restrictions or event-driven trading restrictions for transactions in the Company's securities.)

Prior to approving any plan, the Compliance Officer will:

(1) *Review the Proposed Arrangement.* We must satisfy ourselves that the arrangement will not place the Company's good name or yours in jeopardy.

(2) *Add Additional Safeguards as Necessary.* To reduce exposure, we will need to make sure, for example, that at the time you enter into an arrangement (or at any time that you wish to terminate or modify a prior instruction or plan), there is no material information about the Company that has not been publicly disclosed. If there is undisclosed information (even if you aren't aware of it), you would need to wait until that information has been disclosed. It may also be advisable that there be an interval between establishment of the plan and the first transaction under the plan.

(3) *Consider a Public Announcement.* We will consider in each case whether public announcement of a trading plan should be made (via press release, web site, etc.).

(4) *Establish Section 16, Rule 144, etc. Procedures With Third Parties.* Also, we will need to establish a procedure with whoever is handling your transactions to ensure, if applicable:

- a. Prompt filings of SEC Form 4 take place after transactions. Failure to file on time results in unwanted proxy statement disclosure of filing violations;
- b. Compliance with SEC Rule 144 at the time of any sale; and
- c. Cessation of any sales during pooling lock-up periods in the event of a merger or acquisition, or during other periods when a lock-up is imposed on insiders.

Transaction Blocks. The Company's transfer agent has been advised of the Compliance Program applicable to officers, directors and Designated Employees and window period restrictions. The transfer agent will be assisting us in the implementation of the Compliance Program. In the case of the Company's transfer agent, this will mean that the transfer agent will only process Company securities trades made by you during a window period.

Additional Black-Out Periods. The Sarbanes-Oxley Act of 2002 also requires the Company to absolutely prohibit all purchases, sales or transfers of Company securities by

directors and executive officers during a pension fund blackout period. A pension fund blackout period exists whenever 50% or more of the plan participants are unable to conduct transactions in their accounts for more than three consecutive days. These blackout periods typically occur when there is a change in the retirement plan's trustee, record keeper or investment manager. Affected officers and directors will be contacted when these or other restricted trading periods are instituted from time to time.

Acknowledgment

Each officer, director and employee will be asked to acknowledge that he or she has read this Policy and understands, and intends to comply with, the Company's Insider Trading Policy described herein.

Administration and Further Assistance

The Company's General Counsel shall serve as the Compliance Officer and have responsibility for administering this Policy. In his or her absence (or in the event of a proposed transaction by the General Counsel), the Chief Financial Officer shall be responsible for administration of this Policy. Any person who has a question concerning the propriety of a proposed transaction or who has a question about the Policy generally may obtain additional guidance from the Compliance Officer. Requests for clearance of a proposed securities transaction should be directed to the Compliance Officer.

ACKNOWLEDGMENT AND RECEIPT OF MEMORANDUM
REGARDING CALLON PETROLEUM COMPANY'S
INSIDER TRADING POLICY

To the Compliance Officer of Callon Petroleum Company:

I have received the memorandum setting forth the Company's Insider Trading Policy on material, nonpublic information and the U.S. federal securities laws. I understand its contents and have been advised that if I have a question about the meaning of the Company's Insider Trading Policy or how either applies in a particular instance, I may ask the Compliance Officer to advise me.

(Date)

(Signature)

(Name - please print)

ADDENDUM B

CALLON PETROLEUM COMPANY

CODE OF ETHICS FOR THE SENIOR FINANCIAL OFFICERS

The Company's financial and accounting officers and managers, including the Company's Chief Executive Officer ("CEO"), Chief Financial Officer, principal accounting officer or Controller, and other senior financial officers performing similar functions (collectively, the "*Senior Financial Officers*") of Callon Petroleum Company (the "*Company*") each have an obligation to the Company, its shareholders, the public investor community, and themselves to maintain the highest standards of ethical conduct. In recognition of this obligation, the Company has adopted the following standards of ethical conduct for the purpose of promoting:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair accurate, timely and understandable disclosure in the reports and documents that the Company files with, or submits to, the Securities and Exchange Commission (the "*SEC*"), and in other public communications made by the Company;
- Compliance with applicable governmental laws, rules and regulations;
- The prompt internal reporting to an appropriate person or persons identified herein of violations of this Code of Ethics; and
- Accountability for an adherence to this Code of Ethics.

The Company has a Code of Business Conduct and Ethics applicable to all directors and employees of the Company. The Senior Financial Officers are bound by all of the provisions set forth therein, including those relating to ethical conduct, conflicts of interest and compliance with law. In addition to the Code of Business Conduct and Ethics, the Senior Financial Officers are subject to the additional specific policies described below. Adherence to these standards is integral to achieving the objectives of the Company and its shareholders. The Senior Financial Officers shall not commit acts contrary to these standards nor shall they condone the commission of such acts by others within the Company.

Competence

The Senior Financial Officers have a responsibility to:

- Maintain an appropriate level of professional competence through the ongoing development of their knowledge and skills.

- Perform their professional duties in accordance with relevant laws, regulations, and technical standards.
- Prepare accurate and timely financial statements, reports and recommendations after appropriate analyses of relevant and reliable information.

Confidentiality

The Senior Financial Officers have a responsibility to protect the Company by:

- Refraining from disclosing confidential information (regarding the Company or otherwise) acquired in the course of their work except when authorized, unless legally obligated to do so.
- Informing subordinates as appropriate regarding the confidentiality of information acquired in the course of their work and monitoring their activities to assure the maintenance of that confidentiality.
- Refraining from using or appearing to use confidential information acquired in the course of their work for unethical or illegal advantage either personally or through third parties.

Integrity

The Senior Financial Officers have a responsibility to:

- Comply with laws, rules and regulations of federal, state and local governments, and appropriate private and public regulatory agencies or organizations, including insider trading laws.
- Act in good faith, responsibility, without misrepresenting material facts or allowing their independent judgment to be subordinated.
- Protect the Company's assets and insure their efficient use.
- Avoid actual or apparent conflicts of interest with respect to suppliers, customers and competitors and reports potential conflicts as required in the Company's Conflict of Interest Policy.
- Refrain from engaging in any activity that would prejudice their ability to carry out their duties ethically.
- Refrain from either actively or passively subverting the attainment of the organization's legitimate and ethical objectives.

- Recognize and communicate professional limitations or other constraints that would preclude responsible judgment or successful performance of an activity.
- Report to senior management and the Audit Committee any significant information they may have regarding judgments, deficiencies, discrepancies, errors, lapses or any similar matters relating to the Company's or its subsidiaries' accounting, auditing or system of internal controls. The Senior Financial Officers must communicate unfavorable as well as favorable information and professional judgments or opinions.
- Refrain from engaging in or supporting any activity that would discredit their profession or the Company and proactively promote ethical behavior within the Company.

Objectivity

The Senior Financial Officers have a responsibility to:

- Communicate information fairly and objectively.
- Disclose all material information that could reasonably be expected to influence intended user's understanding of the reports, comments and recommendations presented.

Oversight and Disclosure

The Senior Financial Officers have a responsibility to:

- Ensure the preparation of full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the Company with the SEC. Accordingly, it is the responsibility of the Senior Financial Officers to promptly bring to the attention of the Audit Committee any material information of which he or she may become aware that affects the disclosures made by the Company in its public filings or otherwise assist the Audit Committee in fulfilling its responsibilities of overseeing the Company's financial statements and disclosures and internal control systems.
- Promptly bring to the attention of the Audit Committee any information he or she may have concerning (1) significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data, or (2) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's financial reporting, disclosures or internal controls.
- Promptly bring to the attention of the CEO or General Counsel, if any, and to the Audit Committee any information he or she may have concerning any violation of the Company's Code of Business Conduct and Ethics, including any actual or apparent conflicts of interest between personal and professional relationships, involving any

management or other employees who has a significant role in the Company's financial reporting, disclosures or internal controls.

- Promptly bring to the attention of the CEO or General Counsel, if any, and to the Audit Committee any information he or she may have concerning evidence of a material violation of the securities or other laws, rules or regulations applicable to the Company and the operation of its business, by the Company or any agent thereof, or of violation of the Code of Business Conduct and Ethics or of these additional procedures.

Enforcement

The Board of Directors shall determine, or designate appropriate persons to determine, appropriate actions to be taken in the event of violations of the Code of Business Conduct and Ethics or of these additional procedures by the Senior Financial Officers. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to the Code of Business Conduct and Ethics and to these additional procedures, and shall include written notices to the individual involved that the Board has determined that there has been a violation, censure by the Board, demotion or re-assignment of the individual involved, suspension with or without pay or benefits (as determined by the Board) and termination of the individual's employment. In determining what action is appropriate in a particular case, the Board of Directors or such designee shall take into account all relevant information, including the nature and severity of the violation, whether the violation was a single occurrence or repeated occurrences, whether the violation appears to have been intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action and whether or not the individual in question had committed other violations in the past.

IN WITNESS WHEREOF, the undersigned Senior Financial Officer certifies that he or she has read the above Code of Ethics and agrees to abide thereby.

(Signature)

(Print Name)

Date: _____