



# Callon Petroleum Company

CPE NYSE

Oil / Gas Exploration / Production

Market Capitalization USD:

**\$152.41 mm**

**CONCERN LEVEL: LOW**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

**CEO: Fred L. Callon**

**Age: 62**

**CEO Since: 1997**

	2009	2010	2011
<b>Base Salary</b>	\$464,520	\$464,520	\$464,520
<b>Discretionary Bonus</b>	\$696,780	\$575,000	\$464,520
<b>Annual Cash Incentive</b>	\$0	\$0	\$0
<b>Benefits and Perquisites</b>	\$61,213	\$64,719	\$60,646
<b>TOTAL ANNUAL COMPENSATION</b>	<b>\$1,222,513</b>	<b>\$1,104,239</b>	<b>\$989,686</b>
<b>Increase in Post-Retirement Benefits</b>	\$0	\$0	\$0
<b>Stock Option Awards</b>	\$0	\$0	\$0
<b>Stock Awards</b>	\$325,000	\$944,063	\$1,156,650
<b>TOTAL COMPENSATION</b>	<b>\$1,547,513</b>	<b>\$2,048,302</b>	<b>\$2,146,336</b>
<b>Median of Other Named Executive Officers Total Compensation</b>	\$846,797	\$1,232,671	\$1,133,169
<b>Value Realized on Exercise of Stock Option</b>	\$0	\$0	\$0
<b>Value Realized on Vesting of Stock</b>	\$34,946	\$38,999	\$154,000
<b>TOTAL REALIZED EQUITY COMPENSATION</b>	<b>\$34,946</b>	<b>\$38,999</b>	<b>\$154,000</b>

Proxy Date: 2 Apr 2012

Annual Meeting Date: 10 May 2012

Equity Reserves: 6.40%

Stock Option Run Rate: 0.42%

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## Performance Comparison

■ S&P500 ■ Industry ■ CPE



## Peer Comparisons (TRBC) =Oil / Gas Exploration / Production

### Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
<b>CPE</b>	<b>Callon Petroleum Company</b>	<b>\$1,547,513</b>	<b>\$2,048,302</b>	<b>\$2,146,336</b>	<b>\$152,407,151</b>
GEOI	GeoResources, Inc.	\$641,185	\$341,667		\$453,137,629
EPL	Energy Partners, Ltd.	\$355,943	\$1,683,020	\$2,320,498	\$445,420,590
HUSA	Houston American Energy Corp.	\$315,000	\$805,875		\$428,833,564
GDP	Goodrich Petroleum Corporation	\$1,601,509	\$1,581,045		\$426,995,868
MHR	Magnum Hunter Resources Corporation	\$2,098,117	\$11,196,723		\$418,243,609
ATPG	ATP Oil & Gas Corporation	\$4,065,111	\$4,974,843		\$397,956,939

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

### Pay Peer Group

ATP Oil and Gas Corp., Brigham Exploration Company, Carrizo Oil & Gas, Inc., Goodrich Petroleum Corporation, Endeavor International Corporation, McMoran Exploration Company, Comstock Resources, Inc., Petroquest Energy Inc., Stone Energy Corp., Swift Energy Company

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## COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
L. Richard Flurv	Chairman	64	Male	8	Outside
Anthony J. Nocchiero	Member	60	Male	1	Outside
John C. Wallace	Member	73	Male	18	Outside Related
Larry D. McVav	Member	64	Male	5	Outside

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