The Oil and Services Conference^{TM} 10

San Francisco, CA
February 21, 2012

Forward-Looking Statements

This presentation contains projections and other forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These projections and statements reflect the Company's current views with respect to future events and financial performance as of this date. No assurances can be given, however, that these events will occur or that these projections will be achieved and actual results could differ materially from those projected as a result of certain factors. For a summary of events that may affect the accuracy of these projections and forward-looking statements, see "Risk Factors" in our Form 10-K filed with the Securities and Exchange Commission.

Cautionary Note to Investors – As of January 1, 2010, the SEC changed its rules to permit oil and gas companies, in their filings with the SEC, to disclose not only proved reserves, but also probable reserves and possible reserves. Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations—prior to the time at which contracts providing the right to operate expire. Probable reserves include those additional reserves that a company believes are as likely as not to be recovered and possible reserves include those additional reserves that are less certain to be recovered than probable reserves.

We use certain terms in this presentation, such as "reserve potential" and "EUR" that the SEC's guidelines strictly prohibit us from including in filings with the SEC. Investors are urged to consider closely the disclosure in our Form 10-K, available from us by contacting Investor Relations, Callon Petroleum Company, 200 N. Canal Street, Natchez, MS 39120.

You can also obtain our Form 10-K from the SEC by calling 1-800-SEC-0330 or by downloading it from the SEC's web site http://www.sec.gov/.

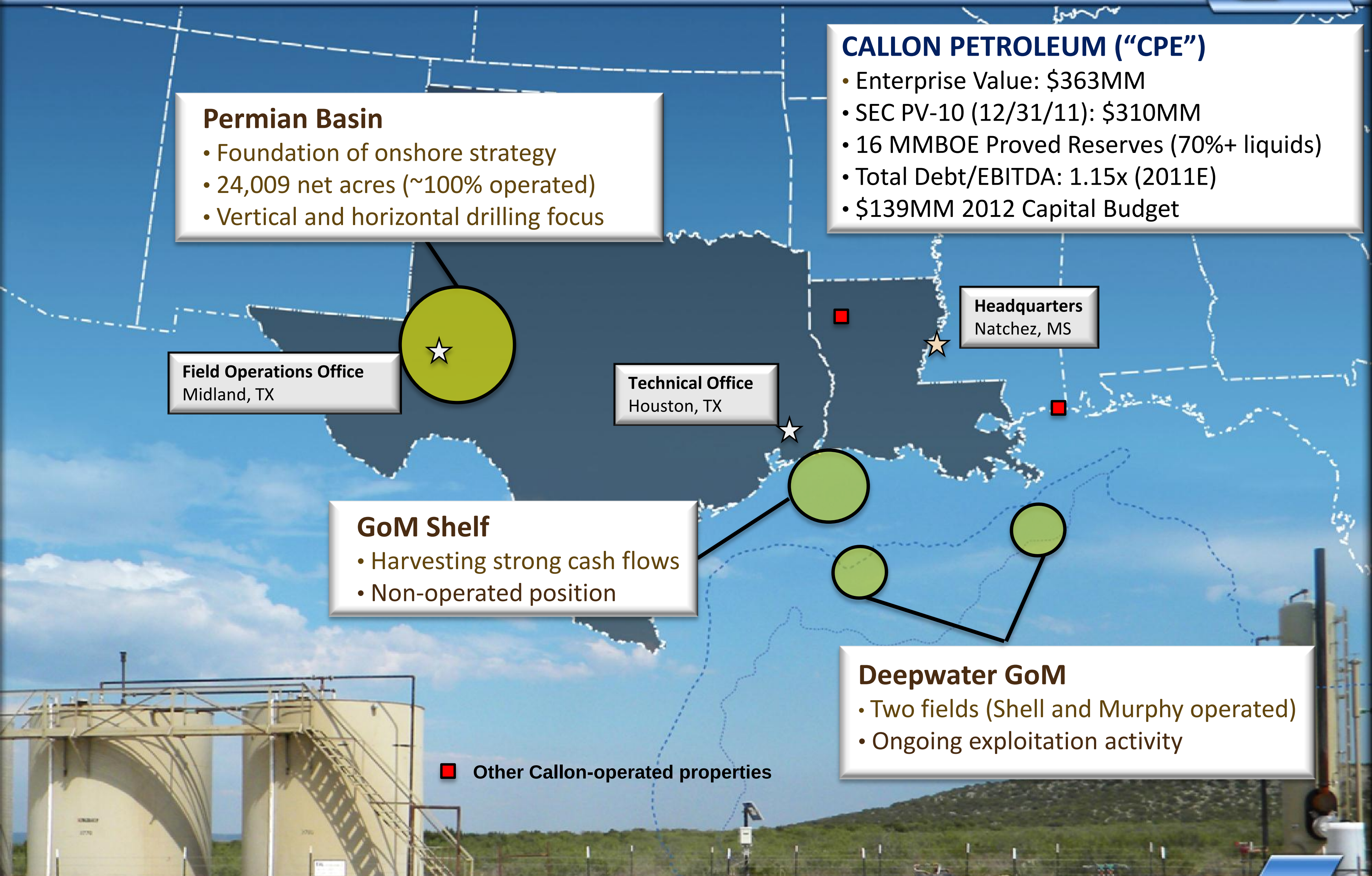
Callon Overview

CALLON PETROLEUM ("CPE")

- Enterprise Value: $363MM
- SEC PV-10 (12/31/11): $310MM
- 16 MMBOE Proved Reserves (70%+ liquids)
- Total Debt/EBITDA: 1.15x (2011E)
- $139MM 2012 Capital Budget

Permian Basin

- Foundation of onshore strategy
- 24,009 net acres (~100% operated)
- Vertical and horizontal drilling focus



GoM Shelf

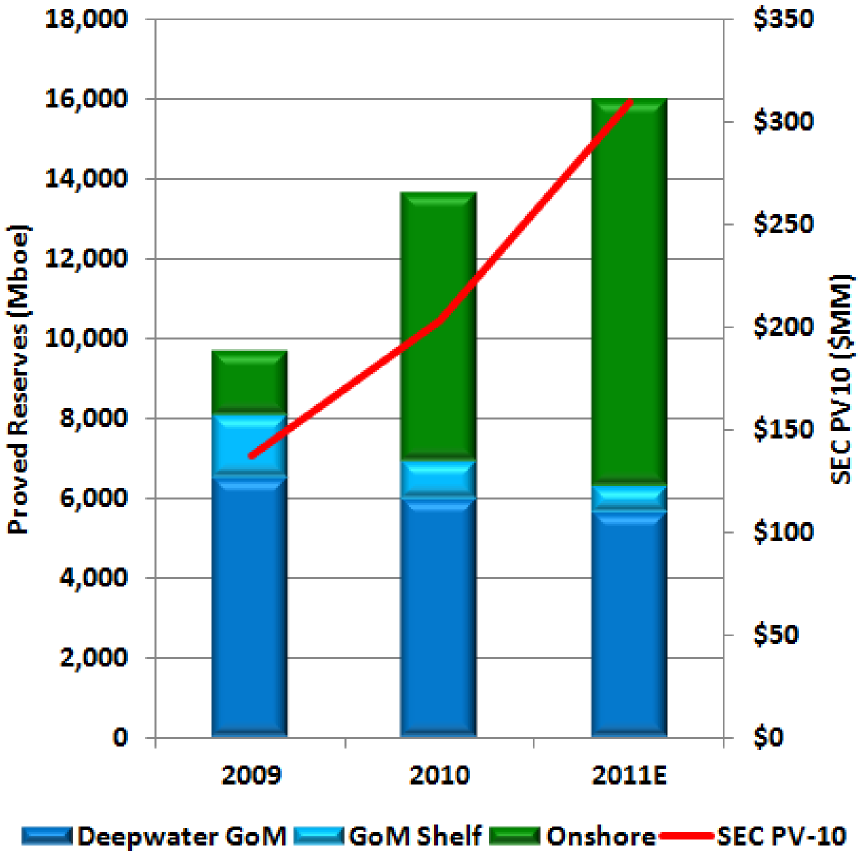
- Harvesting strong cash flows
- Non-operated position

Deepwater GoM

- Two fields (Shell and Murphy operated)
- Ongoing exploitation activity

Successful Onshore Transition

Onshore Growth (2009 Inception)



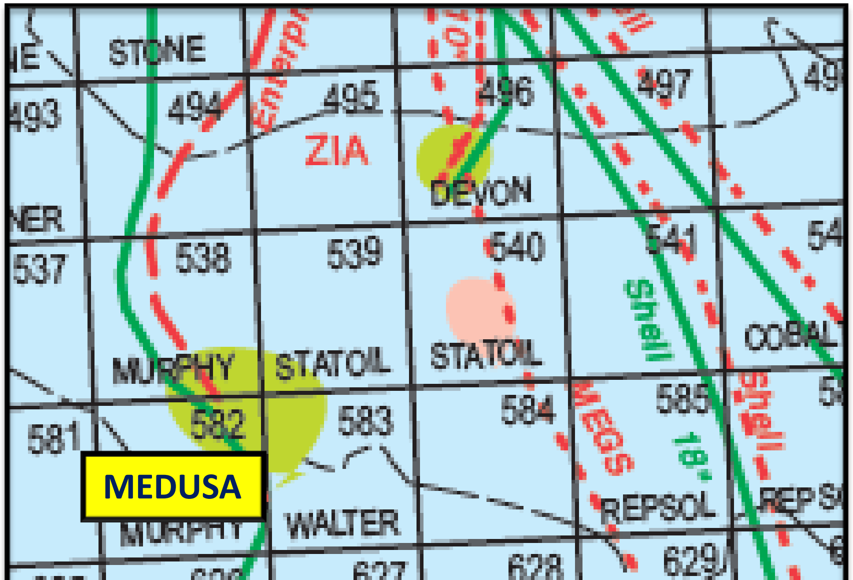
Proved Reserves By Region

- $147MM onshore investment
  - Redeployed offshore cash flow
  - $14/Boe onshore field level F&D
  - Increased reserves by 65%
- Replaced GoM Shelf production
  - Offset high-rate, natural gas wells with onshore drilling efforts
  - Maintained total company production
  - Increased reserve life (8.6 years)
- Positioned for further growth
  - Critical mass in Permian Basin
  - Initiation of horizontal oil drilling
  - Continued Deepwater GoM cash flow and incremental potential
  - Strong balance sheet and liquidity

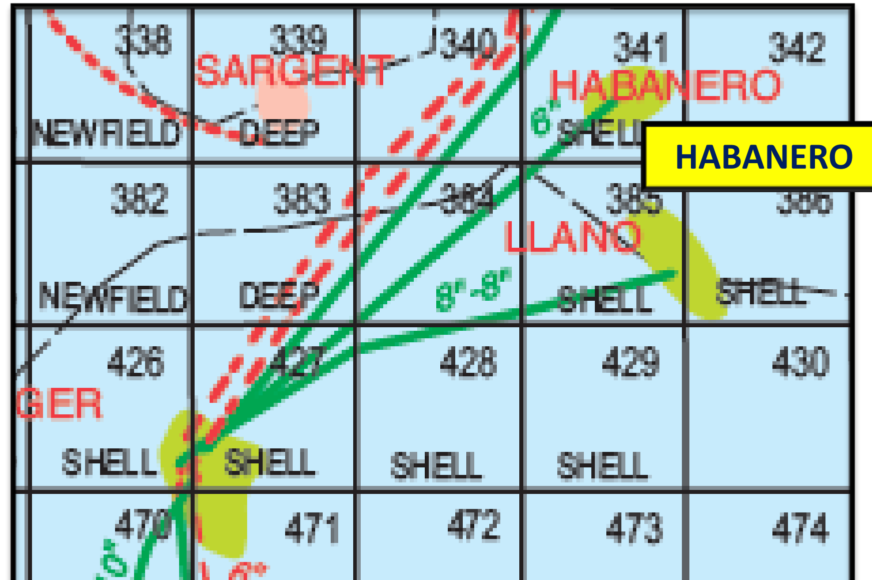
"Deepwater" GoM Overview

MURPHY

CPE WI: 15%
2,200' Water Depth



CPE WI: 11.25%
2,013' Water Depth

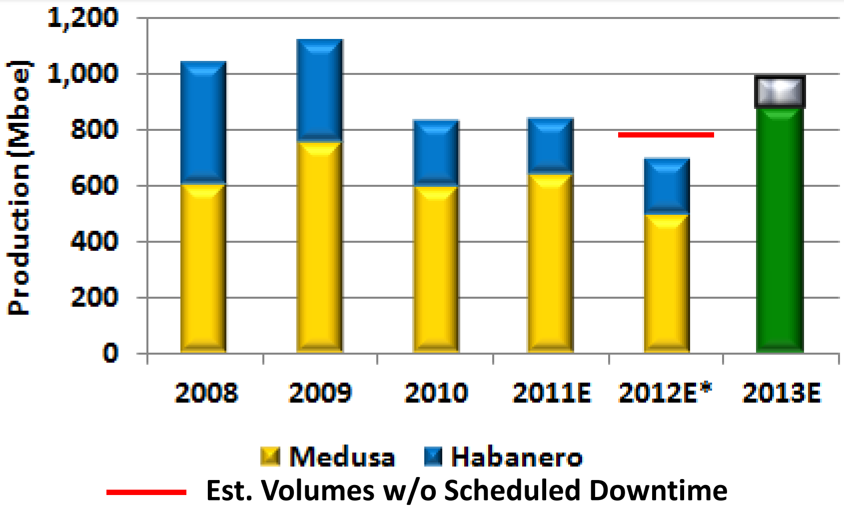


Field	Overview	Planned Activity
MC 582 (Medusa)	• First production: 2003 • Cumulative gross volumes: 55 MMBOE • Producing wells: 8 (6 dry trees/2 subsea)	• Operator re-evaluating subsurface • Potential for new drill well in 2013 • Scheduled maintenance in 2Q12
GB 341 (Habanero)	• First production: 2003 • Cumulative gross volumes: 29 MMBOE • Producing wells: 2 subsea	• Habanero #2 sidetrack in 4Q12 • Scheduled maintenance in 2/3Q12

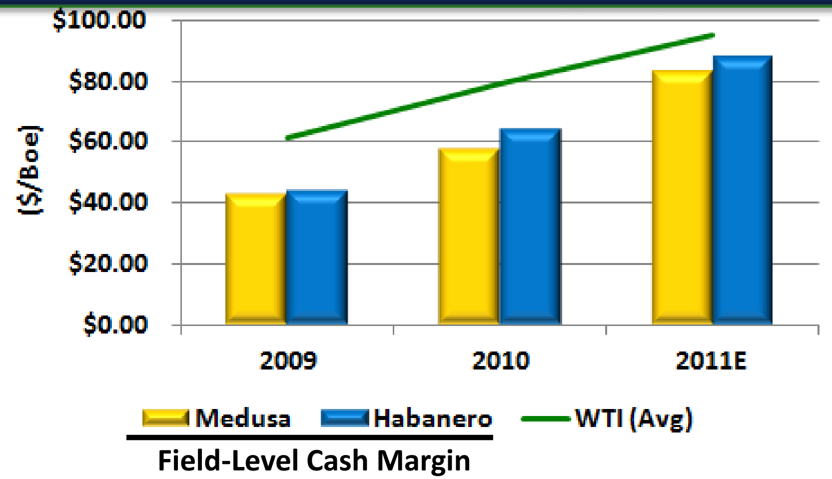
Source: Offshore Magazine, Gulf of Mexico Map 2011

"Deepwater" GoM Benefits

Net Production Profile



Field-Level Cash Margin ($/BOE)



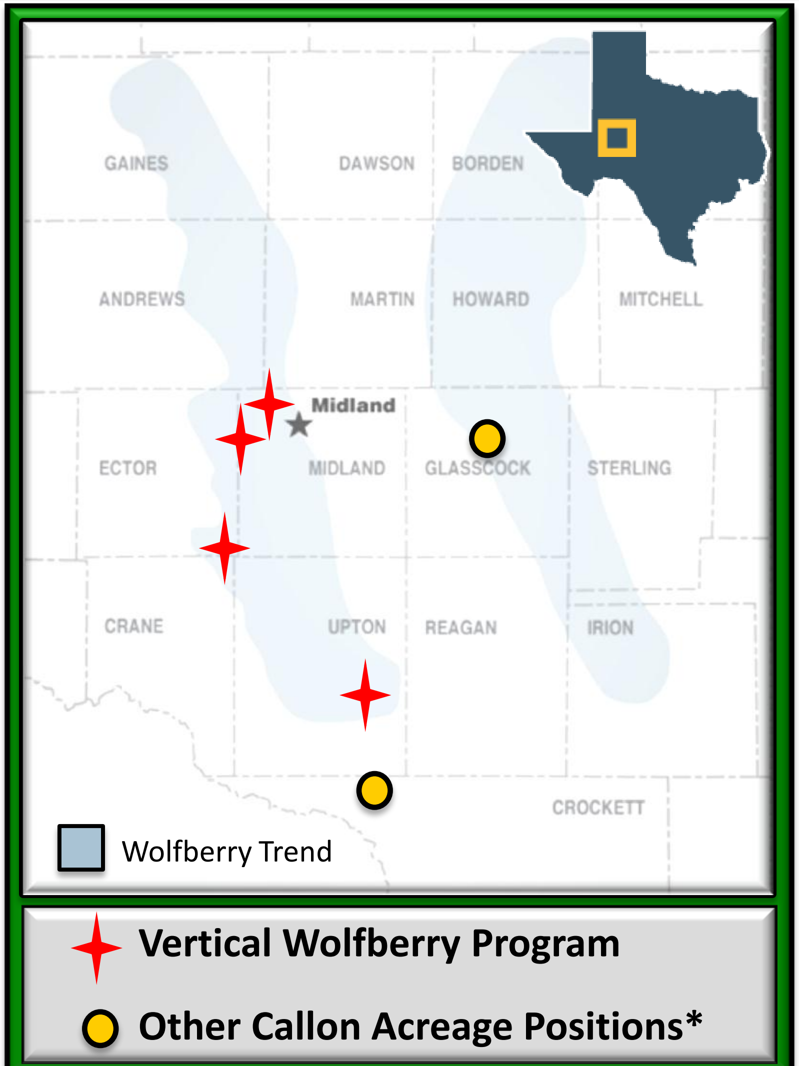
** 2012E based upon midpoint expectations*

- World-class fields and operators
- Production stability
  - Ongoing recompletions/sidetracks
  - Leverage existing infrastructure
  - Managed for long-term value, not rate
- Strong production economics
  - High operating cash margin
  - Recent LLS pricing benefits
- Long-term contributor
  - Deepwater lives typically 20 years+
  - Seismic evaluation and drilling plans
  - Unique assets for an independent
    - Solid capital efficiency (capex per unit of production)
    - Free cash flow for funding growth

Permian Operations

- 24,000+ Net Acres
- 100% Operated Production
- Dedicated Technical and Operational Team

Legacy Permian: Vertical Program



Wolfberry Program

- Wells drilled to date: 59
- Remaining locations (40-acre): 135
- 95% WI / 71% NRI
- Gross EURs ~100 Mboe
- 75 – 120 Boepd IP
- Recent activity
  - 2011 exit rate: 1,300 Boepd
  - Two-rig program
  - Tested Strawn and Atoka
- 2012 outlook
  - High-grade vertical Wolfberry program
  - Focus on Pecan Acres
  - 100% HBP by year-end 2012

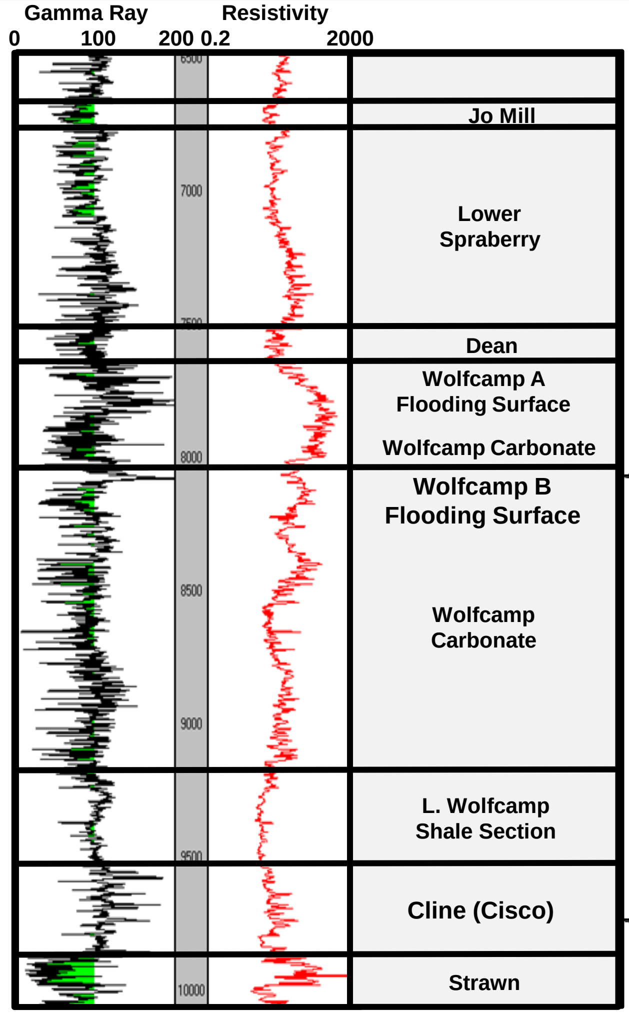
Solid Platform For Development Drilling And Evaluation Of New Zones

** Does not include recently acquired 14,470 net acre position*

Permian Horizontal Drilling Program

Horizontal Evolution

- Leverage existing assets
  - Legacy Midland Basin acreage
  - Extensive technical work
  - Operational and drilling expertise
- Continue to build new acreage
  - New 14,470 net acre position
  - Multiple target zones
- Driver of production growth
  - Higher production rates
  - Improved capital efficiency
- Disciplined strategy
  - 100% operated programs
  - "Fast-follower" in Wolfcamp B
  - Apply lessons to emerging plays
  - Redirect capital to horizontal wells



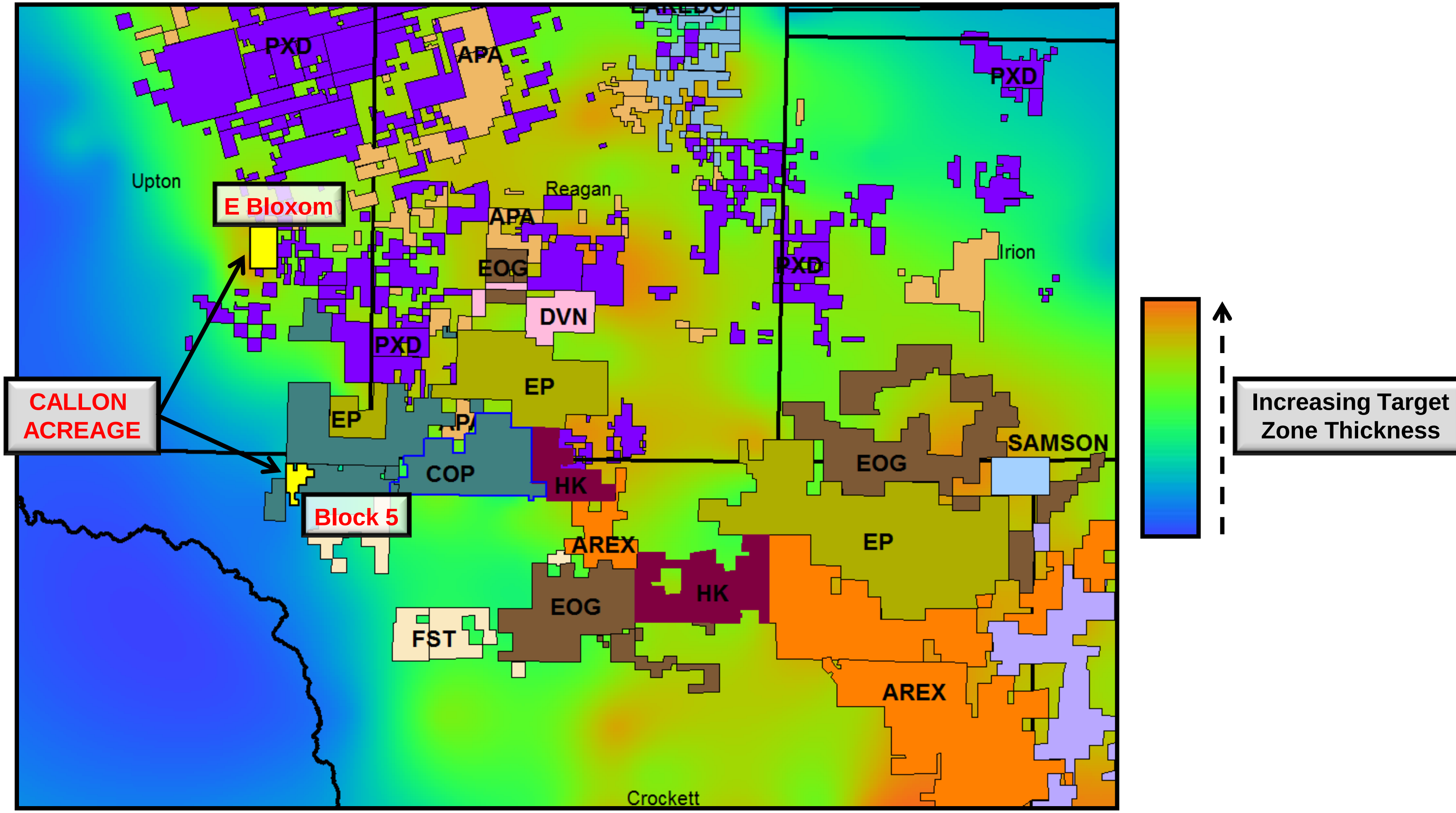
Hz Wolfcamp B Play

Callon
EOG
El Paso
Approach
Pioneer
Devon

Hz Cline Play

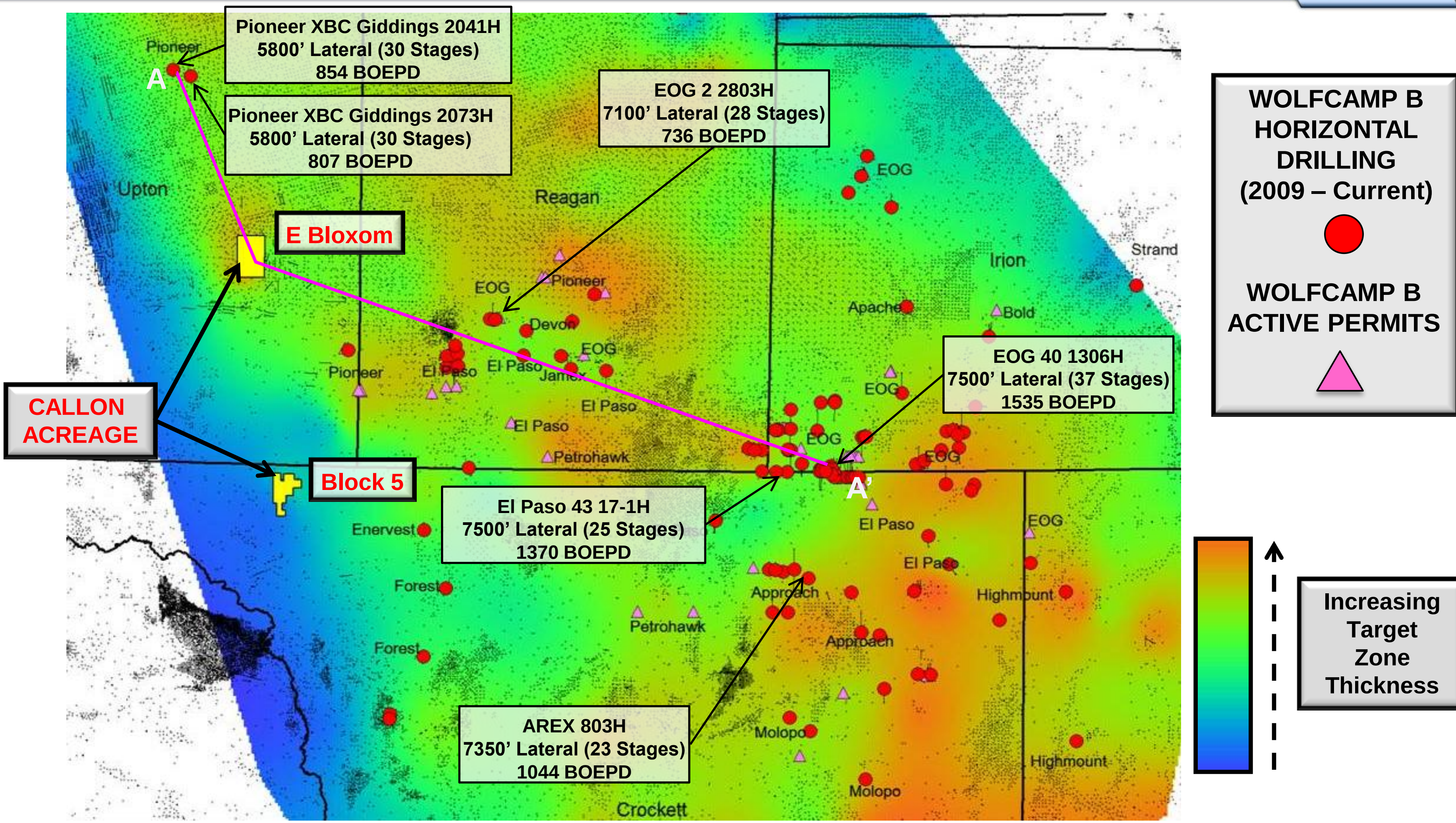
Callon
Laredo
Apache
Concho
Range

Balanced Horizontal Program Focusing On Two Primary Plays
• Increasingly De-Risked Wolfcamp B In Southern Midland Basin
• North Midland Basin Acreage (14,470 Net Acres) With Cline Potential



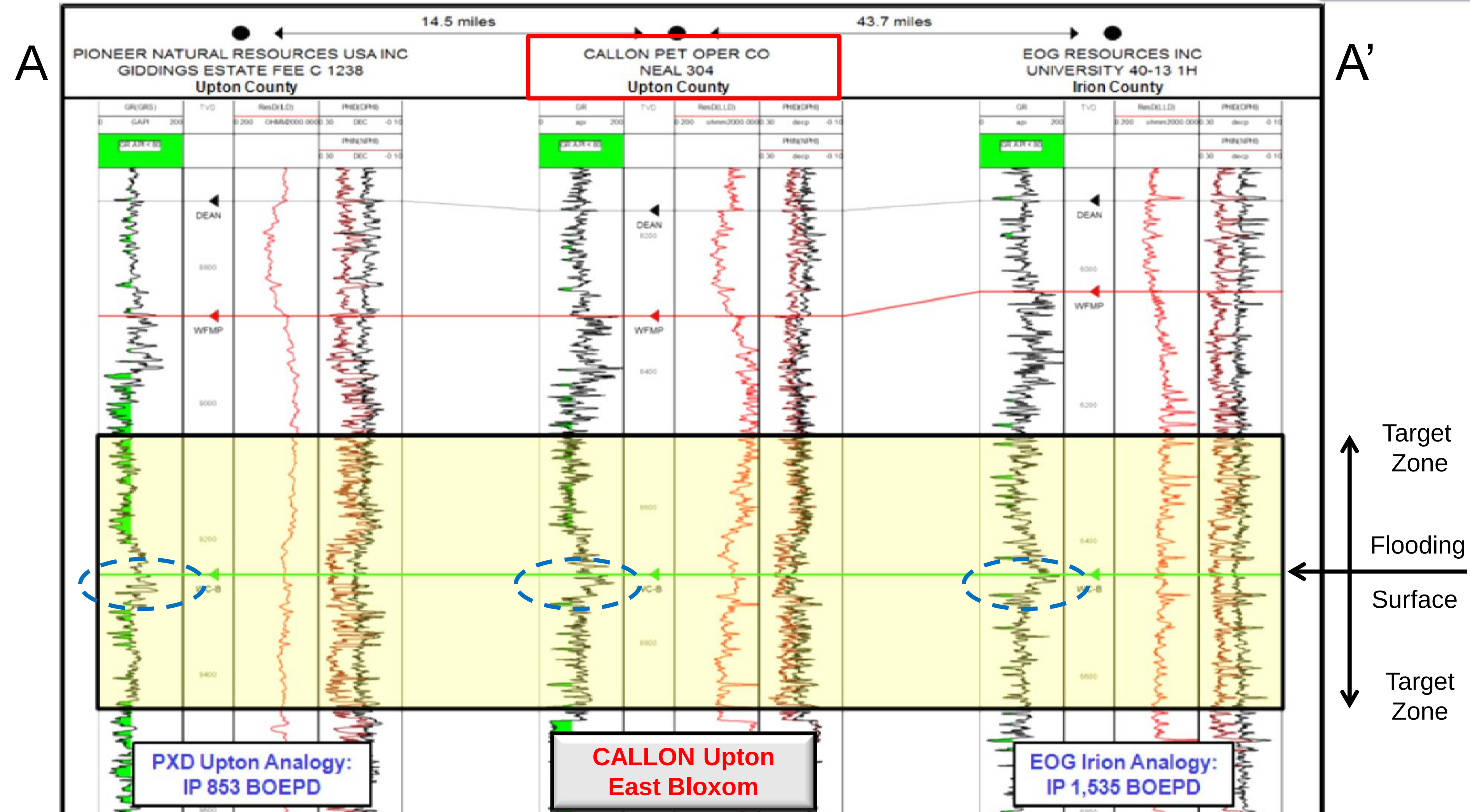
Existing Acreage Well-Positioned As Wolfcamp B Activity Progresses North And West

Midland Basin Wolfcamp B Horizontal Activity



- Horizontal Drilling Program Starting In 2Q2012 At E Bloxom
- New Generation Rig Secured Under Two-Year Contract

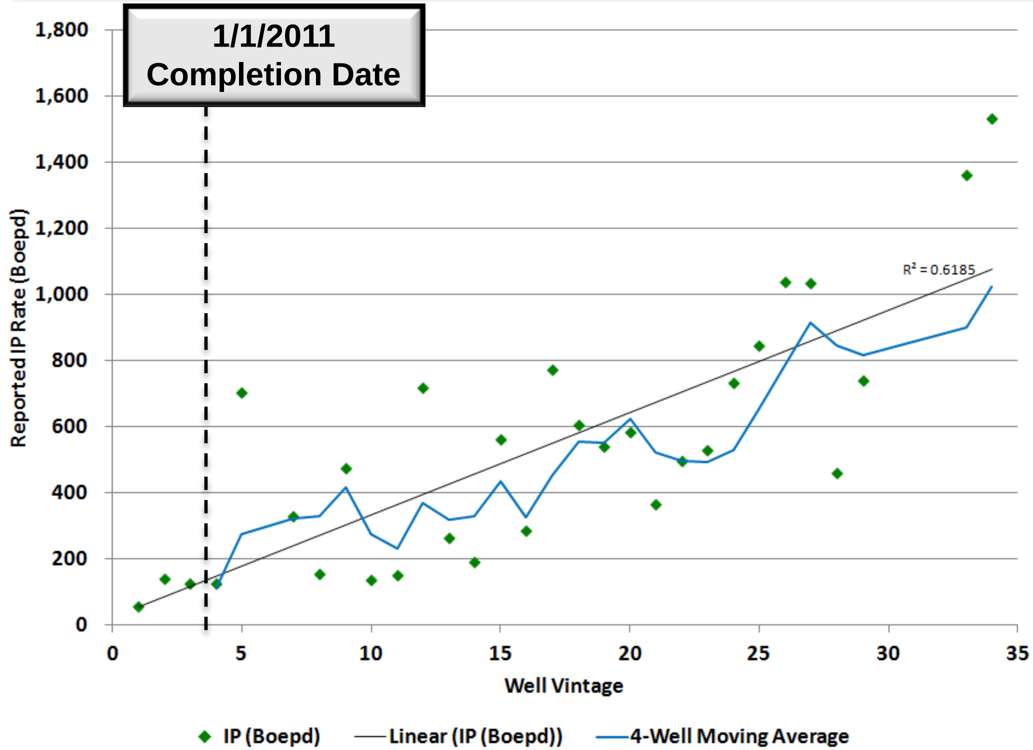
East Bloxom Wolfcamp B



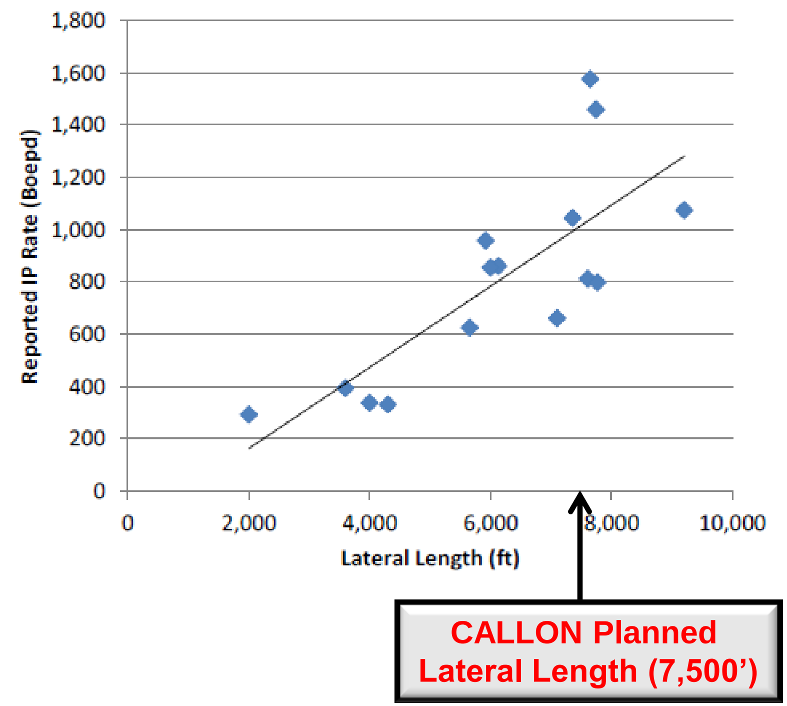
- Log Properties Analogous To Offsetting Horizontal Producing Wells
- Several Precedents To Determine Optimal Lateral Placement

Wolfcamp B (Midland) Evolution

IP Rates (EOG/AREX/EP)*



IP vs Lateral Length (Howard Weil)



Horizontal Wolfcamp B Results Benefiting From Accumulation Of Completion Data Over Time And Increased Lateral Lengths

Source: Company filings, Texas RRC, Howard Weil Incorporated research (January 19, 2012)
** Through November 15, 2011*

East Bloxom

	Q1'12	Q2'12	Q3'12	Q4'12	2013
Finalize initial drilling plans	Plan				
Commence drilling		Drill			
Evaluate results		Evaluation			
Optimize /program drilling					Program

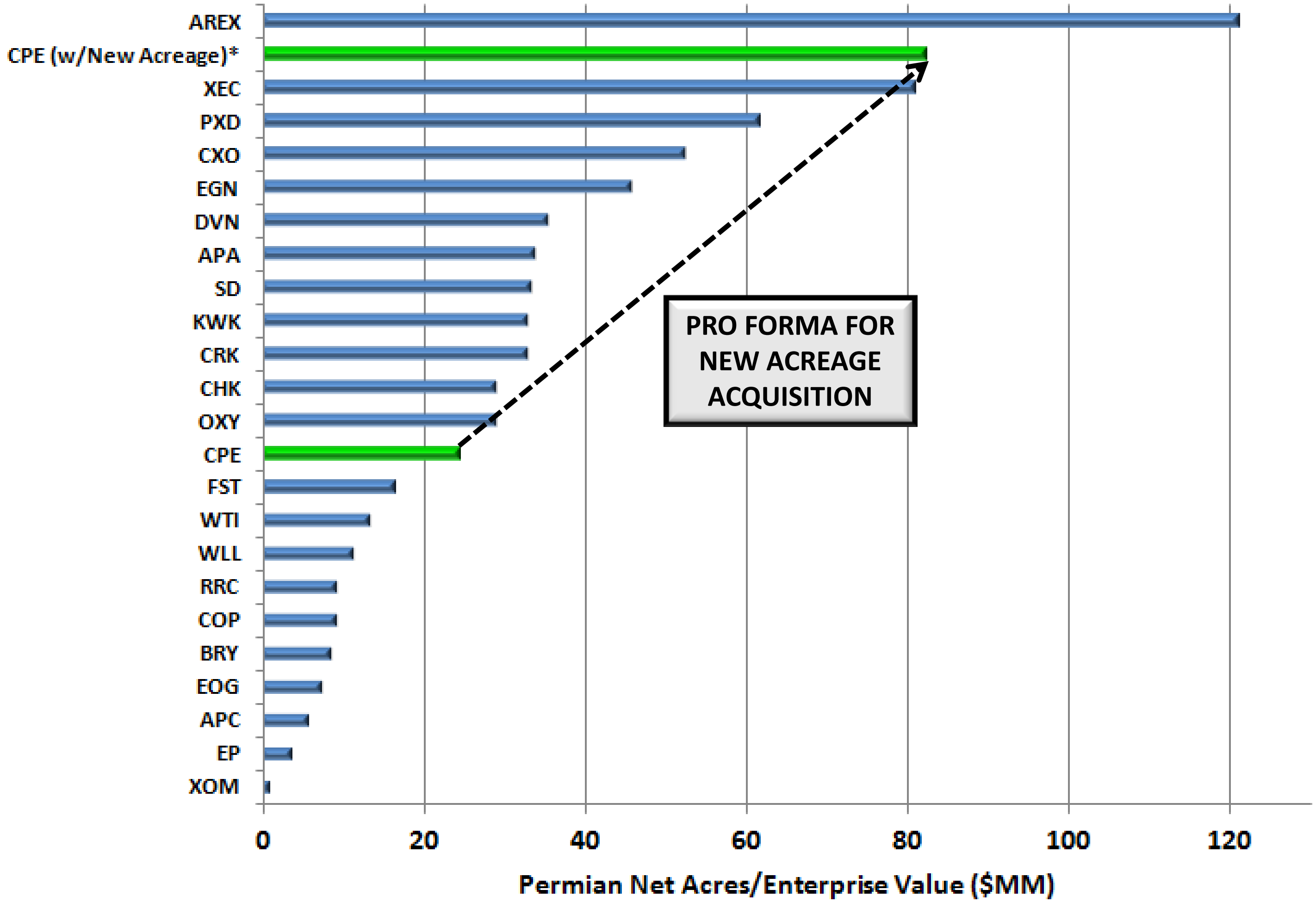
New Permian Acreage

	Q1'12	Q2'12	Q3'12	Q4'12	2013
Seismic and evaluation	Assess				
Drill delineation wells			Drill		
Finalize development plan			Evaluate/Plan		
Optimize/program drilling					Program

Disciplined Approach For Efficient And Profitable Horizontal Permian Development Program

Resulting Permian Exposure

Net Permian Acreage Per $MM Of Enterprise Value (1/19/12)



Source: Howard Weil Incorporated research (January 19, 2012)

** Includes other undeveloped acreage of 2,415 net acres (in addition to northern Midland acquisition) not included in research report data*

Financial Review

2011 Financial Highlights

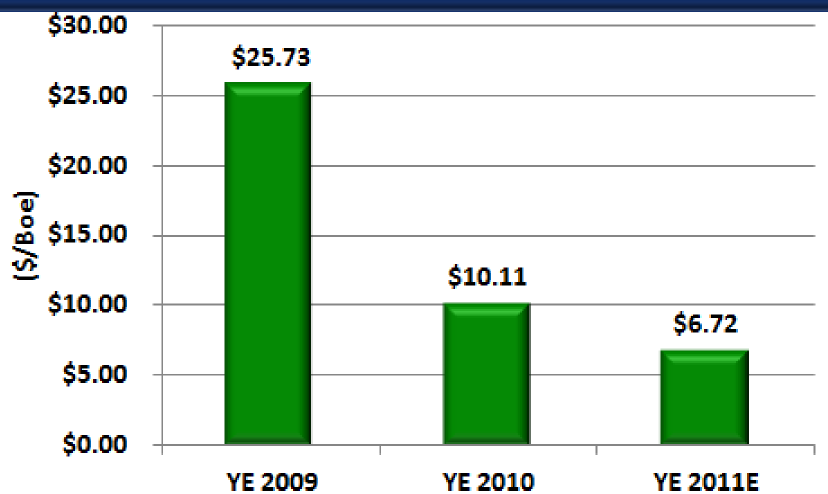
Successful Equity Offering	➢ 10.1 million share public offering ➢ Net proceeds of $73.8 million ➢ Expanded investor base
Meaningful Debt Reduction	➢ "Clawback" of 2016 Senior Notes ➢ Reduced principal by $31 million ➢ Reduced annual interest by $4 million
Increased Borrowing Base	➢ Facility increased to $45 million ➢ Positive impact of onshore diversification ➢ Currently undrawn
Significant Increase In Shareholders' Equity	➢ $135 million at September 30, 2011 ➢ Increased 700% from December 31, 2010

Strong Balance Sheet

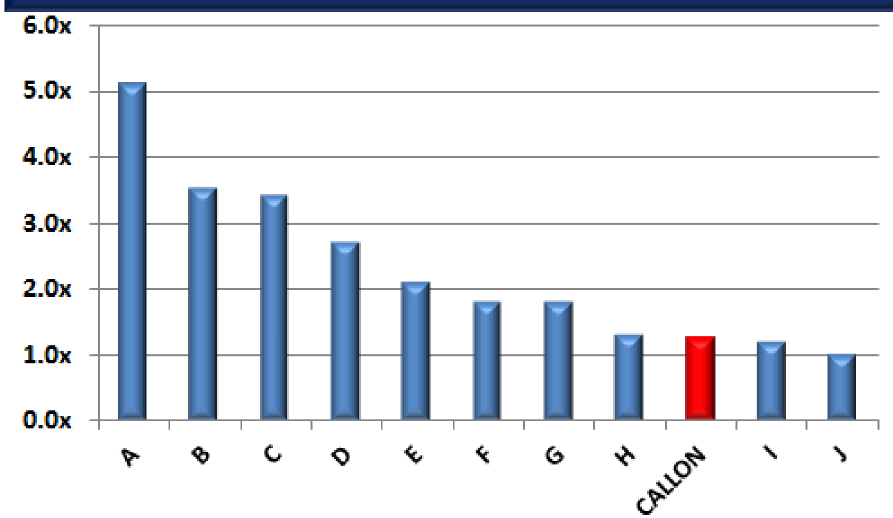
Capitalization ($MM)

	12/31/2010	Change	09/30/2011	% Capitalization
Total Debt				
Revolving Credit Facility	$0	$0	$0	0%
13% Senior Notes due 2016	$138	($31)	$107	41%
Deferred Credit (Non-Cash)	$28	($9)	$19	7%
Shareholders' Equity	$16	$120	$136	52%
Total Capitalization	$181	$81	$262	100%
Cash Balances	$17	$31	$48	
Total Liquidity	$47	$46	$93	

Total Debt/Proved Reserves[1]



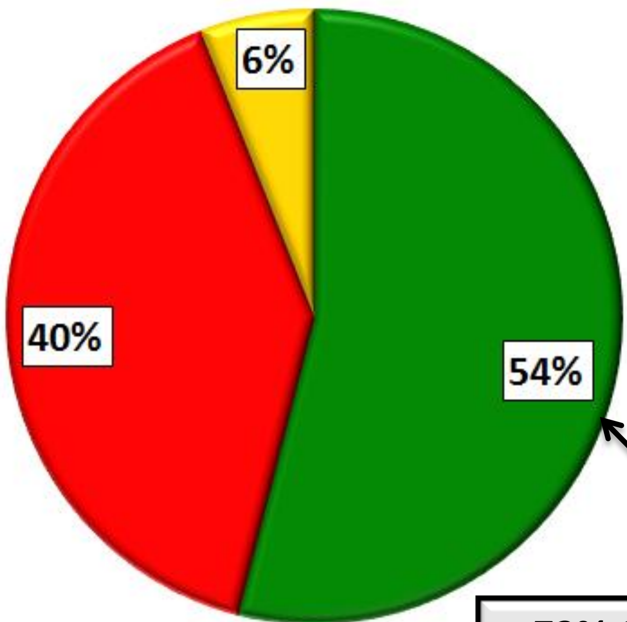
Total Debt / LTM 3Q11 EBITDA[1,2]



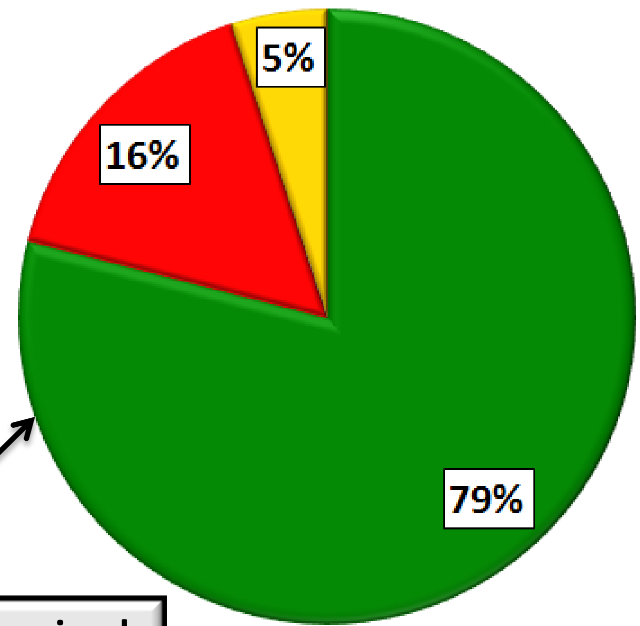
(1) CPE Total Debt does not include non-cash deferred credit of $27.5MM, $19.2MM and $18.4MM at 12/31/10, 9/30/11 and 12/31/11, respectively
(2) Source: Thomson ONE. Peer Group Includes: AXAS, AREX, CWEI, CRK, END, FST, PQ, SGY, SFY and WTI. LTM EBITDA as of September 30, 2011

2011E Hydrocarbon Exposure

Production By Commodity



Revenue By Commodity



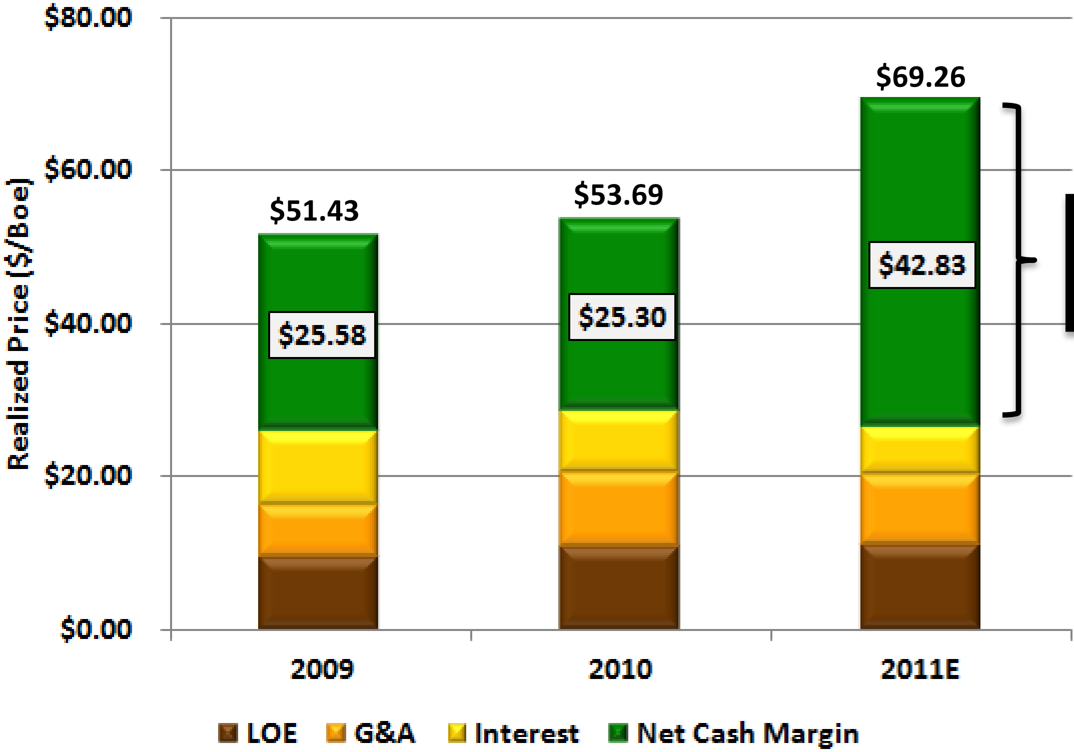
~72% Crude Volumes Received LLS-Comparable Index Pricing

Crude Oil | NGLs | Natural Gas

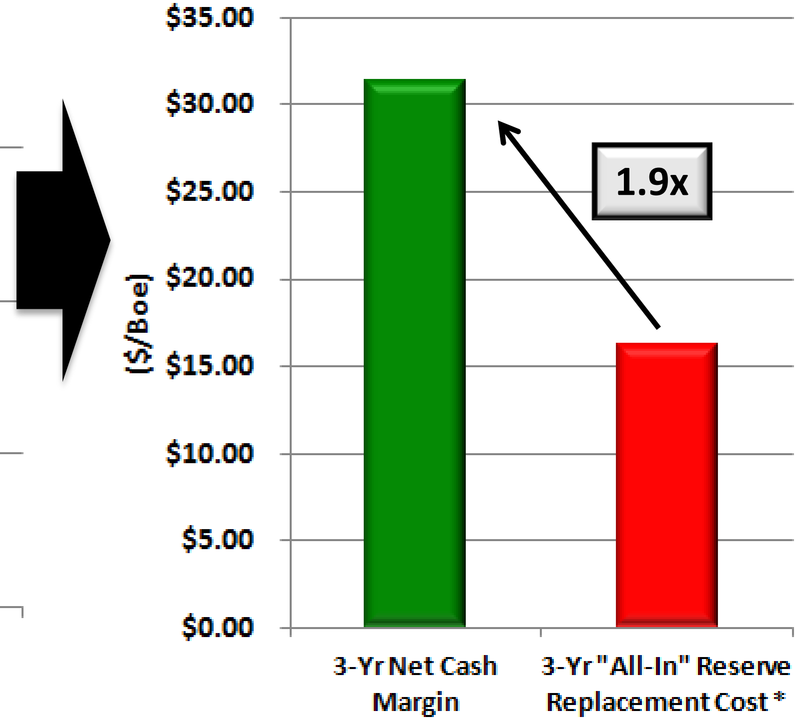
Liquids-Based Pricing Leverage Should Continue To Increase As Permian Oil And Wet Gas Volumes Grow Over Time

Cash Reinvestment Efficiency

Cash Margin Analysis



Reinvestment Efficiency



Strong Cash Margins Support Onshore Resource Capture Initiatives

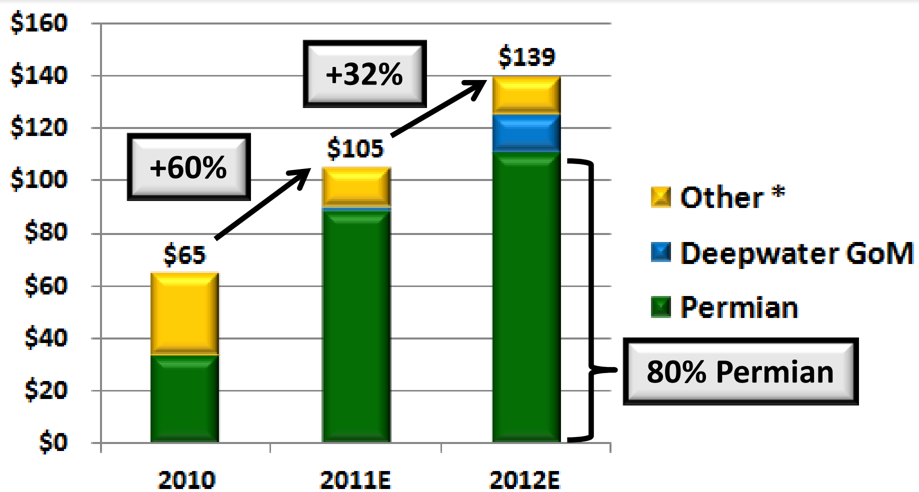
** (Total net capital expenditures + capitalized items) / (Total proved reserve additions from all sources, net of revisions)*

2012 Capital Budget: $139MM

2012 Capex Breakdown

	Wells Drilled				2012 Capital ($MM)
	2011 Actual		2012 Planned		
	Gross	Net	Gross	Net	
Legacy Permian					
Vertical	36.0	33.0	20.0	13.7	
Horizontal	- -	- -	4.0	4.0	
Sub-Total	36.0	33.0	24.0	17.7	$62.0
Permian New Initiatives					
Vertical	- -	- -	1.0	1.0	
Horizontal	- -	- -	3.0	2.7	
Sub-Total	- -	- -	4.0	3.7	$48.0
Deepwater GoM	- -	- -	1.0	0.1	$14.0
Capitalized Costs & Other					$15.0
TOTAL	36.0	33.0	29.0	21.5	$139.0

Onshore Capital Deployment ($MM)



* *Includes capitalized costs, ARO and other operations*

- Legacy Permian
  - High-grading opportunities
  - 20 vertical /4 horizontal wells
- Permian New Initiatives
  - Closed acreage transactions
  - Additional acreage
  - 2012 evaluation and seismic
  - 3 horizontal and 1 vertical
- Funding growth
  - Deploy cash balances
  - High cash margin production
  - Reallocation of capital
  - Bank facility as needed
- Flexibility
  - 85% operated drilling capex
  - Optimize development
  - Limited drilling commitments

Investor Highlights

- Successfully established critical mass in the Permian
  - Leveraged expertise and organizational footprint
  - Assembled multi-year inventory of operated drilling locations
  - Positioned to capitalize on emerging horizontal development
- Investment focused on long-term value creation
  - Portfolio of onshore opportunities created from reinvestment of offshore cash flow
  - Disciplined exploitation timeline as operator of horizontal oil programs
  - High-grade capital expenditures to solidify sustainable growth platform
  - Balance profitable production growth with replacement of relatively higher offshore production rates
- Prudent financing strategy
  - 2012 drilling capital almost entirely operated
  - Existing cash balances and undrawn credit facility provides flexibility
  - Capitalization to be aligned with longer-term plans for Permian development and other growth initiatives

Callon Petroleum Company

OFFICES

Natchez, MS -- Headquarters
Houston, TX -- Technical/Engineering
Midland, TX -- Permian Basin Ops.
Web: www.callon.com

MANAGEMENT TEAM

Fred Callon, Chairman CEO
Bob Weatherly, Executive VP CFO
Gary Newberry, Senior VP Operations
Rodger Smith, VP Treasurer
Steve Woodcock, VP Exploration
Vince Borrello, VP & GM Permian Basin

TRADING DATA / KEY STATISTICS

Founded 1950 -- Public since 1994 (NYSE 1998)

NYSE: CPE

Average Daily Volume:	314,300
52-week Range:	$3.02 -- $8.65
Share Price (2/16/12):	$7.72
Market Capitalization:	$304 Million
Enterprise Value:	$363 Million
Shares Outstanding:	39 Million

ANALYST COVERAGE

Canaccord Genuity
Capital One Southcoast
Global Hunter Securities
Howard Weil Incorporated
Johnson Rice & Company
Robert W. Baird & Co.
SunTrust Robinson Humphrey