UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 15, 2021

Callon Petroleum Company
(Exact name of registrant as specified in its charter)

DE	001-14039	64-0844345
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification Number)**

One Briarlake Plaza
2000 W. Sam Houston Parkway S., Suite 2000
Houston, TX 77042
(Address of Principal Executive Offices, and Zip Code)

(281) 589-5200
(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	CPE	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

New Executive Officer LTI Program

Effective March 12, 2021, the Compensation Committee of the Board of Directors (the "Board") of Callon Petroleum Company (the "Company," "we," "us" and "our") approved the 2021 compensation program for our executive officers other than James P. Ulm, Chief Financial Officer, who has announced his intentions to retire from the Company in May 2021. As long-term incentive compensation, the Committee awarded the executive officers with time-based restricted stock units ("RSUs") and cash performance units ("CPUs") under the terms of the Callon Petroleum Company 2020 Omnibus Incentive Plan (the "Plan").

The RSUs will vest in one-third increments annually beginning April 1, 2022, provided the executive officer continues to be employed on the vesting dates, or earlier as a result of death or disability. The RSUs will be settled in shares of the Company's common stock at the time of vesting.

The CPUs will vest at the end of the three-year performance period encompassing calendar years 2021 through 2023 provided the executive officer continues to be employed on the vesting dates, or earlier as a result of death or disability. The value of the awards will range from 0-200% of target and will be determined by (i) our adjusted free cash flow performance over three, one-year performance periods relative to goals established by the Compensation Committee each year and (ii) a cap on the final payout opportunity based on our three-year average return on capital employed ("ROCE") performance including a cap on payout of 75% of target if three-year ROCE is less than 10 percent.

The foregoing descriptions of the RSU and CPU agreements are not complete and are qualified in their entirety by reference to the full text of (i) the form of RSU agreement, which is filed hereto as Exhibit 10.1 and incorporated by reference herein, and (ii) the form of CPU agreement, which is filed hereto as Exhibit 10.2 and incorporated by reference herein.

Revised Change in Control Severance Compensation Agreements with Executive Officers

Also on March 12, 2021, the Compensation Committee of the Board approved amended versions of the Change in Control Severance Compensation Agreements (the "SCAs") with its executive officers (other than Mr. Ulm) that are intended to replace the previous agreements that were effective as of January 1, 2019 (or, in the case of Gregory F. Conaway, the Company's Vice President and Chief Accounting Officer, December 20, 2019) (the "Prior SCAs"). The amended agreements were presented to the executive officers for consideration and were executed by the Company and the executive officers effective as of April 16, 2021. The SCAs generally provide the same rights and benefits as were provided in the Prior SCAs, except that the new SCAs provide for, among other changes, an updated definition of "Change in Control" to reflect a formulation more consistent with the Company's peers, the payment of a pro-rata bonus for the year of termination in the event of a severance-eligible termination, and severance benefits in the event of a termination without cause within six months following a "merger of equals" transaction. The following describes the material terms of the SCAs.

The SCAs will terminate, except to the extent that any obligation of the Company thereunder remains unpaid as of such time, on the earliest of (i) December 31, 2021, except that, on each anniversary date thereafter, the expiration date will automatically be extended for one additional year unless, as of such date and prior to such anniversary date, either party has given proper written notice that it does not wish to extend the SCA, but in no event will the expiration date be earlier than the second anniversary of the effective date of a "Change in Control" or "Merger of Equals" (each as defined in the SCAs); (ii) the termination of the executive officer's employment with us based on death, "Disability" (as defined in the SCAs), or "Cause" (as defined in the SCAs); (iii) the voluntary resignation of the executive officer for any reason other than a post-Change in Control resignation for "Good Reason" (as defined in the SCAs); and (iv) any resignation of the executive officer prior to a Change in Control or Merger of Equals.

Pursuant to the SCAs, if the executive officer is terminated (i) without Cause by us or for Good Reason by the executive officer within two years following a Change in Control, (ii) without Cause by us within six months of a Merger of Equals, or (iii) without Cause by us within the six month period prior to a Change in Control and in connection with such Change in Control (in each case, a "double-trigger termination"), then the executive officer is entitled to a single lump-sum cash payment equal to an SCA multiple times the sum of (a) the annual base salary in effect immediately prior to the Change in Control or, if higher, in effect immediately prior to the separation from service, (b) the greater of the average annual bonus earned with respect to the three most recently completed full fiscal years, the target annual bonus for the fiscal year in which the Change in Control occurs, or the target annual bonus for the fiscal year in which the Change in Control or termination occurs and (c) the greater of the target annual bonus for the fiscal year in which the Change in Control or Merger of Equals occurs or

the target annual bonus for the fiscal year in which the termination of employment occurs, in each case, prorated for the number of days in the year in which the termination of employment occurs during which the executive officer was employed. For Joseph C. Gatto, Jr., the Company's President and Chief Executive Officer and a member of the Board, the SCA multiple is three times. For the other executive officers, the SCA multiple is two times. The SCAs also provide that in the event an executive officer is eligible for benefits due to a double-trigger termination, any outstanding equity awards or cash incentive awards (other than annual bonuses) then held by the executive officer shall vest in full with any performance-based awards earned at the level specified in the applicable award agreement or, if not specified, at the target level. In addition, we must maintain at our expense until 24 months after a double-trigger termination all medical, dental, and health insurance coverage. Such severance benefits are subject to the executive officer's execution and non-revocation of a general release of claims.

A Change in Control as generally defined in the SCAs occurs when (i) any person or group of persons acquires beneficial ownership of more than 30% of our outstanding common stock (other than an acquisition by a person or persons that already beneficially own more than 30% of our outstanding common stock); (ii) incumbent members of the Board as of the effective date of the SCAs cease to constitute at least a majority of the Board (other than as a result of an election or nomination that was approved by a vote of at least a majority of the incumbent directors at the time); or (iii) the consummation of any "Business Combination" (as defined in the SCAs, including any merger, reorganization, or sale of more than 40% of the gross fair market value of the Company's assets), in each case, unless (a) the beneficial owners of our common stock prior to such transaction own, directly or indirectly, more than 50% of the outstanding common stock of the resulting entity following the transaction, (b) no person or group of persons acting in concert (excluding the Company or its subsidiaries and certain other exempt persons) beneficially owns 30% or more of the outstanding common stock of the resulting entity, and (c) at least a majority of the members of the board of directors of the resulting entity were incumbent members of the Board prior to the transaction. A Merger of Equals is generally defined in the SCAs as the consummation of a Business Combination unless (1) such Business Combination is a Change in Control under the SCAs or (2) individuals or entities who were beneficial owners of our common stock immediately prior to the Business Combination beneficially own 60% or more of the outstanding voting stock of the resulting entity following the transaction in substantially the same proportions as their ownership of our common stock prior to the transaction.

The SCAs also subject each executive officer to a one-year post-termination non-competition and two-year (or, in the case of Mr. Gatto, three-year) post-termination non-solicitation covenant in the event the applicable executive officer becomes eligible to receive severance benefits under the SCA. The SCAs also include a perpetual confidentiality covenant.

The SCAs incorporate a provision to provide for the possible impact of the federal excise tax on excess parachute payments. If any SCA payment is subject to any excise tax under Section 4999 of the Internal Revenue Code of 1986, as amended, the payment will be reduced so that no portion of the payment is subject to such excise tax if the net benefit payable would be at least as much as it would have been if no reduction was made. The so-called "golden parachute" tax rules subject "excess parachute payments" to a dual penalty: the imposition of a 20% excise tax upon the recipient and non-deductibility of such payments by the paying corporation.

The foregoing description of the SCAs is not complete and is qualified in its entirety by reference to the full text of (i) the form of SCA by and between the Company and its executive officers, which is filed hereto as Exhibit 10.3 and incorporated by reference herein, and (ii) the SCA by and between the Company and Mr. Gatto, which is filed hereto as Exhibit 10.4 and incorporated by reference herein.

First Amendment to 2020 Omnibus Incentive Plan

On April 15, 2021, the Board approved an amendment to the Plan to change the definition of "Change in Control" and related terms under the Plan to align with current peer company practices and to conform with the definitions found in other plans, agreements and policies of the Company, including the SCAs.

The foregoing description of the amendment to the Plan is not complete and is qualified in its entirety by reference to the full text of the amendment to the Plan, which is filed hereto as Exhibit 10.5 and incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	Form of Callon Petroleum Company Restricted Stock Unit Agreement, adopted on March 12, 2021 under the 2020 Omnibus Incentive Plan.
10.2	Form of Callon Petroleum Company Cash Performance Unit Agreement, adopted on March 12, 2021 under the 2020 Omnibus Incentive Plan.
10.3	Form of Change in Control Severance Compensation Agreement, dated as of April 16, 2021, by and between Callon Petroleum Company and its executive officers.
10.4	Change in Control Severance Compensation Agreement, dated as of April 16, 2021, by and between Callon Petroleum Company and Joseph C. Gatto, Jr.
10.5	First Amendment to Callon Petroleum Company 2020 Omnibus Incentive Plan.
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Callon Petroleum Company
(Registrant)

Date: April 16, 2021

/s/ Joseph C. Gatto, Jr.
Joseph C. Gatto, Jr.
President and Chief Executive Officer

Exhibit 10.1

2021 OFFICER RESTRICTED STOCK UNIT AWARD AGREEMENT
CALLON PETROLEUM COMPANY
2020 OMNIBUS INCENTIVE PLAN

THIS AGREEMENT ("**Agreement**") is effective as of [●] (the "**Grant Date**"), by and between Callon Petroleum Company, a Delaware corporation (the "**Company**"), and _____ (the "**Grantee**").

The Company has adopted the Callon Petroleum Company 2020 Omnibus Incentive Plan (the "**Plan**"), which by this reference is made a part hereof, for the benefit of eligible employees, directors and independent contractors of the Company and its Subsidiaries. Capitalized terms used and not otherwise defined herein shall have the meaning ascribed thereto in the Plan.

Pursuant to the Plan, the Committee, which has generally been assigned responsibility for administering the Plan, has determined that it would be in the interest of the Company and its stockholders to grant the restricted stock units provided herein in order to provide Grantee with additional remuneration for services rendered, to encourage Grantee to remain in the employ of the Company or its Subsidiaries and to increase Grantee's personal interest in the continued success and progress of the Company.

The Company and Grantee therefore agree as follows:

1. **Grant of Restricted Stock Units**. Subject to the terms and conditions herein, effective as of the Grant Date, the Company hereby awards to the Grantee, pursuant to the Plan, a right to receive _____ shares of Common Stock of the Company, par value $.01 per share (the "**Restricted Stock Units**").

2. **Vesting Schedule and Settlement**.

Subject to the provisions of Section 3 hereof, the Restricted Stock Units shall vest in one-third increments (rounded up to the nearest whole number) on each of April 1, 2022, April 1, 2023 and April 1, 2024 (each, a "**Vesting Date**"); provided that the Grantee remains in continuous employment with the Company through the applicable Vesting Date. For purposes of this Agreement, references to employment with the Company include employment with any successor to the Company as well as employment with any Subsidiary.

As soon as practicable (but in no event later than thirty (30) days) following the occurrence of the Vesting Date or vesting pursuant to Section 3, subject to Section 6, the Company shall deliver to the Grantee or, as applicable, the Grantee's legal representative, estate, beneficiary or heir certificates representing the applicable number shares of Common Stock or cause the applicable number of shares of Common Stock to be evidenced in book entry form in the Grantee's name in the stock register of the Company maintained by the Company's transfer agent.

3. **Termination of Employment; Forfeiture**.

(a) *Death and Disability*. Upon termination of the Grantee's employment with the Company as a result of the death or Disability of the Grantee, the Restricted Stock Units shall immediately vest. For purposes hereof, "**Disability**" shall mean the physical or mental inability of Grantee to carry out the normal and usual duties of his position on a full-time basis for an entire period of six (6) continuous months together with the reasonable likelihood, as determined by the Committee, that Grantee, upon the advice of a qualified physician, will be unable to carry out the normal and usual duties of his position.

(b) *Qualified Separation from Service*. If the Grantee's employment is terminated due to a Qualified Separation from Service, the Committee may determine, in its sole discretion, that all remaining unvested Restricted Stock Units shall be 100% vested as of such termination date. For purposes hereof, a "**Qualified Separation from Service**" is defined as a termination of Grantee's employment with the Company, other than for Cause, provided that, as of the date of such termination (i) Grantee has attained a minimum of ten (10) years of employment with the Company, (ii) Grantee has attained the age of fifty-five (55), (iii) in the event such termination of employment is a voluntary termination by the Grantee, the Grantee has provided the Company with a notice of such intent to terminate at least six months prior to the termination date and (iv) Grantee enters into an agreement not to compete with the Company and its Affiliates for a period of at least one year, which agreement, both in form and substance, is provided by the Committee or is otherwise satisfactory to the Committee.

For purposes hereof, "**Cause**" is defined as: (i) the conviction of the Grantee by a court of competent jurisdiction as to which no further appeal can be taken of a crime involving moral turpitude or a felony or entering the plea of nolo contendere to such crime by the Grantee; (ii) the commission by the Grantee of a material act of fraud upon the Company, any Subsidiary or Affiliate; (iii) the material misappropriation by the Grantee of any funds or other property of the Company, any Subsidiary or Affiliate; (iv) the knowing engagement by the Grantee without the written approval of the Board, in any material activity which directly competes with the business of the Company, any Subsidiary or Affiliate, or which would directly result in material injury to the business or reputation of the Company or any Subsidiary or Affiliate; (v)(1) a material breach by the Grantee during the Grantee's employment with the Company of any of the restrictive covenants set out in the Grantee's employment agreement with the Company, if applicable, or (2) the willful and material nonperformance of the Grantee's duties to the Company or any Subsidiary or Affiliate (other than by reason of the Grantee's illness or incapacity), and, for purposes of this clause (v), no act or failure to act on Grantee's part shall be deemed "willful" unless it is done or omitted by the Grantee not in good faith and without his reasonable belief that such action or omission was in the best interest of the Company, (vi) any breach of the Grantee's fiduciary duties to the Company, including, without limitation, the duties of care, loyalty and obedience to the law; and (vii) the intentional failure of the Grantee to comply with the Company's Code of Business Conduct and Ethics, or to otherwise discharge his duties in good faith and in a manner that the Grantee reasonably believes to be in the best interests of the Company, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

(c) *Company Equity Acceleration Benefits and Carrizo CIC Plan Inapplicable*. Notwithstanding anything to the contrary contained herein, the Carrizo Oil & Gas Inc. Change in

Control Severance Plan (as may be amended from time to time) (the "**Carrizo CIC Plan**") and any other potential rights to equity acceleration benefits in connection with a termination of employment related to the merger of Carrizo Oil & Gas, Inc. with and into the Company (the "**Other Acceleration Benefits**") shall not apply to the Restricted Stock Units granted hereunder. As a condition of receiving this Award, Grantee hereby expressly acknowledges and agrees that, notwithstanding anything set forth in the Carrizo CIC Plan to the contrary, the Change in Control Benefits (as defined in the Carrizo CIC Plan), the Severance Benefits (as set forth in Section 3.02(c)(3) of the Carrizo CIC Plan) and the Other Acceleration Benefits shall not apply to the Restricted Stock Units granted hereunder, and hereby waives any right to any equity acceleration benefits provided for under the Carrizo CIC Plan or the Other Acceleration Benefits with respect to this award of Restricted Stock Units. In the event this Section 4(d) should be held by a court of competent jurisdiction to be unenforceable, this Agreement shall be terminated and of no further force or effect and all Restricted Stock Units (whether vested or unvested) shall be immediately forfeited to the Company without any consideration.

(d) *Forfeiture*. Upon termination of the Grantee's employment with the Company for any reason other than death, Disability, Qualified Separation from Service with accelerated vesting by the Committee, or a termination for which the Grantee is entitled to severance benefits and accelerated vesting of incentive awards under a change in control severance compensation agreement (including the Change in Control Severance Compensation Agreement between the Company and the Grantee but not including the Carrizo CIC Plan and the Other Acceleration Benefits), all unvested Restricted Stock Units shall be immediately forfeited to the Company.

4. **Clawback Policy**. The Grantee hereby acknowledges and agrees that all rights with respect to the Restricted Stock Units are subject to the Company's Clawback Policy, as may be in effect from time to time. The Grantee further acknowledges and agrees that the Restricted Stock Units and amounts received with respect to the Restricted Stock Units are subject to recoupment pursuant to the terms of the Company Clawback Policy.

5. **No Ownership Rights Prior to Issuance of Shares of Common Stock; Dividend Equivalents**. Neither the Grantee nor any other person shall become the beneficial owner of the shares of Common Stock underlying the Restricted Stock Units, nor have any rights of a shareholder (including, without limitation, dividend and voting rights) with respect to any such shares of Common Stock, unless and until and after such shares of Common Stock have been delivered to the Grantee as described in Section 2. Notwithstanding the foregoing, prior to the vesting of the underlying Restricted Stock Units, Dividend Equivalents shall be accrued, without interest, for the benefit of the Grantee. Dividend Equivalents shall be subject to the same vesting schedule as the underlying Restricted Stock Units and shall be payable in cash at the same time as the Restricted Stock Units are settled pursuant to Section 2.

6. **Mandatory Withholding of Taxes.** Grantee acknowledges and agrees that the Company shall deduct from the shares of Common Stock otherwise deliverable a number of shares of Common Stock (valued at their Fair Market Value) on the applicable date that is equal to the amount of all federal, state and local taxes required to be withheld by the Company. In the event the Company, in its sole discretion, determines that the Grantee's tax obligations will not be satisfied under the method otherwise expressly described above and the Grantee does not provide payment to the Company in the form of

shares of Common Stock (valued at their Fair Market Value) sufficient to satisfy any withholding obligations, then the Grantee, subject to compliance with the Company's insider trading policies, authorizes the Company or the Company's Stock Plan Administrator, currently Fidelity, to (i) sell a number of shares of Common Stock issued or outstanding pursuant to the Award, which number of shares of Common Stock the Company determines has at least the market value sufficient to meet the tax withholding obligations, plus additional shares of Common Stock to account for rounding and market fluctuations and (ii) pay such tax withholding to the Company. The Grantee may elect to have the Company withhold or purchase, as applicable, from shares of Common Stock or cash that would otherwise payable or deliverable an amount of cash and/or number of shares of Common Stock (valued at their Fair Market Value) equal to the product of the maximum federal marginal rate that could be applicable to the Grantee and the Fair Market Value of the shares of Common Stock or cash otherwise payable or deliverable, as applicable.

7. **Restrictions Imposed by Law**. Without limiting the generality of Section 16 of the Plan, the Grantee agrees that the Company will not be obligated to deliver any shares of Common Stock if counsel to the Company determines that such delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which the Common Stock is listed or quoted. The Company shall in no event be obligated to take any affirmative action in order to cause the issuance or delivery of shares of Common Stock to comply with any such law, rule, regulation or agreement.

8. **Notice**. Unless the Company notifies the Grantee in writing of a different procedure, any notice or other communication to the Company with respect to this Agreement shall be in writing and shall be delivered personally or sent by first class mail, postage prepaid to the following address:

Callon Petroleum Company
2000 W. Sam Houston Parkway South, Suite 2000
Houston, Texas 77042
Attention: Human Resources

with a copy to:

Callon Petroleum Company
2000 W. Sam Houston Parkway South, Suite 2000
Houston, Texas 77042
Attention: Law Department

Any notice or other communication to the Grantee with respect to this Agreement shall be in writing and shall be delivered personally, and (i) shall be sent by first class mail, postage prepaid, to Grantee's address as listed in the records of the Company on the Grant Date, unless the Company has received written notification from the Grantee of a change of address, or (ii) shall be sent to the Grantee's e-mail address specified in the Company's records or e-mail address provided by the Grantee to the Company's Stock Plan Administrator.

9. **Grantee Employment**. Nothing contained in this Agreement, and no action of the Company or the Committee with respect hereto, shall confer or be construed to confer on the Grantee

any right to continue in the employ of the Company or interfere in any way with the right of the Company to terminate the Grantee's employment at any time, with or without cause; subject, however, to the provisions of the Grantee's employment agreement, if applicable.

10. **Governing Law**. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Delaware. Any suit, action or other legal proceeding arising out of this Agreement shall be brought in the United States District Court for the Southern District of Texas, Houston Division, or, if such court does not have jurisdiction or will not accept jurisdiction, in any court of general jurisdiction in Harris County, Texas. Each of the Grantee and the Company consents to the jurisdiction of any such court in any such suit, action, or proceeding and waives any objection that it may have to the laying of venue of any such suit, action, or proceeding in any such court.

11. **Construction**. References in this Agreement to "this Agreement" and the words "herein," "hereof," "hereunder" and similar terms include all exhibits and schedules appended hereto, including the Plan. This Agreement is entered into, and the Award evidenced hereby is granted, pursuant to the Plan and shall be governed by and construed in accordance with the Plan and the administrative interpretations adopted by the Committee thereunder. All decisions of the Committee upon questions regarding the Plan or this Agreement shall be conclusive. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan shall control. The headings of the sections of this Agreement have been included for convenience of reference only, are not to be considered a part hereof and shall in no way modify or restrict any of the terms or provisions hereof.

12. **Code Section 409A**. Restricted Stock Units under this Agreement are designed to be exempt from or comply with Section 409A of the Code and the related Treasury Regulations thereunder and the provisions of this Agreement will be administered, interpreted and construed accordingly (or disregarded to the extent such provision cannot be so administered, interpreted, or construed). If the Grantee is identified by the Company as a "specified employee" within the meaning of Code Section 409A(a)(2)(B)(i) on the date on which the Grantee has a "separation from service" (other than due to death) within the meaning of Treasury Regulation § 1.409A-1(h), any amount payable or settled under this Agreement on account of a separation from service that is deferred compensation subject to Section 409A of the Code shall be paid or settled on the earliest of (1) the first business day following the expiration of six months from the Grantee's separation from service, (2) the date of the Grantee's death, or (3) such earlier date as complies with the requirements of Section 409A of the Code.

13. **Excise Taxes**. Notwithstanding anything to the contrary in this Agreement, if the Grantee is a "disqualified individual" (as defined in Code Section 280G(c)), and the payments and benefits provided for under this Agreement, together with any other payments and benefits which the Grantee has the right to receive from the Company or any of its affiliates or any party to a transaction with the Company or any of its affiliates, would constitute a "parachute payment" (as defined in Code Section 280G(b)(2)), then the payments and benefits provided for under this Agreement shall be either (a) reduced (but not below zero) so that the present value of such total amounts and benefits received by the Grantee from the Company and its affiliates will be one dollar ($1.00) less than three times the Grantee's "base amount" (as defined in Code Section 280G(b)(3)) and so that no portion of such amounts and benefits received by the Grantee shall be subject to the excise tax imposed by Code Section 4999 or (b)

paid in full, whichever produces the better net after-tax position to the Grantee (taking into account any applicable excise tax under Code Section 4999 and any other applicable taxes). The reduction of payments and benefits hereunder, if applicable, shall be made by reducing payments or benefits to be paid hereunder in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time). The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary shall be made by a nationally recognized accounting firm selected by the Company. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits from the Company (or its affiliates) used in determining if a parachute payment exists, exceeds one dollar ($1.00) less than three times the Grantee's base amount, then the Grantee shall immediately repay such excess to the Company upon notification that an overpayment has been made.

14. **Grantee Acceptance**. The Grantee shall accept the terms and conditions of this Agreement through the online acceptance procedures set forth by the Company's Stock Plan Administrator. By electronically accepting this Agreement the Grantee acknowledges receipt of a copy of the Plan and hereby accepts this Award subject to all the terms and provisions hereof and thereof.

2021 LONG-TERM OFFICER CASH INCENTIVE AWARD AGREEMENT
CALLON PETROLEUM COMPANY
2020 OMNIBUS INCENTIVE PLAN

THIS AGREEMENT ("**Agreement**") is effective as of [DATE] (the "**Effective Date**"), by and between Callon Petroleum Company, a Delaware corporation (the "**Company**"), and _____ (the "**Grantee**").

The Company has adopted the 2020 Callon Petroleum Company Omnibus Incentive Plan (the "**Plan**"), which by this reference is made a part hereof, for the benefit of eligible employees, directors and independent contractors of the Company and its Subsidiaries. Capitalized terms used and not otherwise defined herein shall have the meaning ascribed thereto in the Plan. The Committee has determined that it would be in the interest of the Company and its stockholders to grant the cash bonus award provided herein to the Grantee in order to provide Grantee with additional remuneration for services rendered, to encourage Grantee to remain in the employ of the Company or its Subsidiaries and to increase Grantee's personal interest in the continued success and progress of the Company.

The Company and Grantee therefore agree as follows:

1. **General.** Pursuant to the Plan and subject further to the terms and conditions herein, the Company and Grantee enter into this Agreement pursuant to which the Grantee is eligible to receive a cash incentive award (the **"Long-Term Cash Incentive Award"**) for the Performance Period (as defined below), subject to the terms and conditions set forth herein. "**Performance Period**" means the period from January 1, 2021 to December 31, 2023. Each calendar year within the Performance Period shall be referred to herein as a "**Performance Year**."

2. **Amount of Incentive Award; Aggregate Cap**.

(a) *Amount of Long-Term Cash Incentive Award*. The Long-Term Cash Incentive Award shall have a target amount equal to $[●] (the **"Target Award Amount"**). Subject to the provisions of Section 4, the amount of the Long-Term Cash Incentive Award payable upon vesting (the "**Award Payout Amount**") shall be equal to the lesser of (i) the sum of the Annual Accrued Amounts for each of the three Performance Years in the Performance Period and (ii) the Aggregate Cap multiplied by the Target Award Amount.

(b) *Annual Accrued Amount*. For each Performance Year, the Grantee shall be eligible to accrue an award amount (an **"Annual Accrued Amount"**) equal to (i) one-third of the Target Award Amount (the **"Annual Target Amount"**) multiplied by (ii) a percentage (the **"Performance Multiplier"**) based on the Company's attainment of Adjusted Free Cash Flow targets for such Performance Year, with the Adjusted Free Cash Flow targets to be determined by the Committee no later than March 31 of each such Performance Year. For the 2021 Performance Year, the Adjusted Free Cash Flow targets shall be those set forth in Exhibit A to this Agreement. The range of Performance Multipliers which may be accrued with respect to

each Performance Year is 0 to 200%. "**Adjusted Free Cash Flow**" with respect to each Performance Year, means the following: Adjusted EBITDA (excluding non-recurring items) minus the sum of operational capital (accrual basis), capitalized cash interest, capitalized cash G&A (excluding stock-based compensation), and cash interest expense.

(c) *Aggregate Cap*. Unless otherwise provided in this Agreement, the amount of the Long-Term Cash Incentive Award payable to the Grantee pursuant to this Section 2 is subject to an aggregate limitation (the "**Aggregate Cap**"). For this purpose, the Aggregate Cap shall be determined based on the average for the Performance Period of the Company's annual Return on Capital Employed (ROCE) as set forth in the table below:

ROCE 3-year Average	**Aggregate Cap**
Less than 10%	75%
10% to 15%	150%
Above 15%	200%

For this purpose, "**ROCE**" means for each Performance Year the Company's adjusted EBIT divided by the total of its average total assets for the period minus average current liabilities for the period.

(d) *Determination of Award Amount.* Within five (5) business days following the filing with the Securities Exchange Commission of the Company's annual financial statements for the final Performance Year of the Performance Period (the "**Calculation Date**"), the Chairman of the Committee shall affirm the Performance Multiplier for each of the three Performance Years in the Performance Period, the Aggregate Cap, and the Award Payout Amount, and such determination shall be binding and final.

3. **Payment Terms**. Except as otherwise provided in Section 4, the Award Payout Amount shall be paid to the Grantee as soon as reasonably practicable (but no later than the second regularly scheduled payroll period) following the Calculation Date for the last Performance Year of the Performance Period, subject to the Grantee's continued employment with the Company through such Calculation Date. For purposes of this Agreement, references to employment with the Company include employment with any successor to the Company as well as employment with any Subsidiary.

4. **Termination of Employment; Forfeiture**.

(a) *Death and Disability*. In the event the Grantee's employment with the Company is terminated as a result of the Grantee's death or Disability (as defined below) prior to the occurrence of a Change in Control, the Grantee will receive the Long-Term Cash Incentive Award in an amount equal to the sum of (i) for each Performance Year that ended prior to the date of such termination, the Annual Accrued Amount and (ii) for each other Performance Year, the Target Amount, to be paid as soon as reasonably practicable following the date of such

termination of employment. For the avoidance of doubt, the Aggregate Cap shall not apply to amounts payable under this Section 4(a).

(b) *Change in Control Event*. In the event of a Change in Control, the Award Payout Amount shall equal the sum of (i) for each Performance Year ending prior to the effective date of such Change in Control (the "**CIC Date**"), the applicable Annual Accrued Amount, (ii) for the Performance Year in which the CIC Date occurs (the "**CIC Year**"), the CIC Amount (as defined below) and (iii) for any remaining Performance Years in the Performance Period, the Annual Target Amount. "**CIC Amount**" means the sum of (x) for each completed calendar quarter in the CIC Year (if any) prior to the CIC Date (each, a "**Pre-CIC Quarter**"), one-fourth (1/4) of the Annual Accrued Amount for the CIC Year as determined based on the Performance Multiplier as calculated based on the aggregate Adjusted Free Cash Flow for the Pre-CIC Quarters but with the applicable Adjusted Free Cash Flow targets for the CIC Year prorated based on the number of days of the CIC Year in the Pre-CIC Quarters, and (y) for each quarter in the CIC Year that is not a Pre-CIC Quarter, one-fourth (1/4) of the Annual Target Amount. For purposes of this Section 4(b), the Award Payout Amount, as calculated according to this Section 4(b), shall be paid following the end of the Performance Period in accordance with Section 2(d) and Section 3, subject to the Grantee's continued employment with the Company or a Subsidiary through the end of the Performance Period. For the avoidance of doubt, the Aggregate Cap shall not apply to amounts payable under this Section 4(b).

(c) *Definitions*. For purposes of this Agreement, the following terms shall have the meanings set forth below.

(i) For purposes hereof, "**Cause**" is defined as: (A) the conviction of the Grantee by a court of competent jurisdiction as to which no further appeal can be taken of a crime involving moral turpitude or a felony or entering the plea of nolo contendere to such crime by the Grantee; (B) the commission by the Grantee of a material act of fraud upon the Company, any Subsidiary or Affiliate; (C) the material misappropriation by the Grantee of any funds or other property of the Company, any Subsidiary or Affiliate; (D) the knowing engagement by the Grantee without the written approval of the Board of Directors of the Company, in any material activity which directly competes with the business of the Company, any Subsidiary or Affiliate, or which would directly result in material injury to the business or reputation of the Company or any Subsidiary or Affiliate; (E)(1) a material breach by the Grantee during the Grantee's employment with the Company of any of the restrictive covenants set out in the Grantee's employment agreement with the Company, if applicable, or (2) the willful and material nonperformance of the Grantee's duties to the Company or any Subsidiary or Affiliate (other than by reason of the Grantee's illness or incapacity), and, for purposes of this clause (E), no act or failure to act on Grantee's part shall be deemed "willful" unless it is done or omitted by the Grantee not in good faith and without his reasonable belief that such action or omission was in the best interest of the Company, (F) any breach of the Grantee's fiduciary duties to the Company, including, without limitation, the duties of care, loyalty and obedience to the law; and (G) the intentional failure of the Grantee to comply with the Company's Code of Business Conduct and Ethics, or to otherwise discharge his duties in good faith and in a manner that the Grantee reasonably believes

to be in the best interests of the Company, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

(ii) For purposes hereof, "**Disability**" shall mean the physical or mental inability of Grantee to carry out the normal and usual duties of his position on a full-time basis for an entire period of six (6) continuous months together with the reasonable likelihood, as determined by the Committee, that Grantee, upon the advice of a qualified physician, will be unable to carry out the normal and usual duties of his position.

(d) *Other Arrangements*. The Carrizo Oil & Gas, Inc. Change in Control Severance Plan (as may be amended from time to time) (the "**Carrizo CIC Plan**"), and any other potential rights to equity acceleration benefits in connection with a termination of employment related to the merger of Carrizo Oil and Gas, Inc. with and into the Company (the "**Other Acceleration Benefits**") shall not apply to the Long-Term Cash Incentive Award granted hereunder. As a condition of receiving this Award, the Grantee hereby expressly acknowledges and agrees that, notwithstanding anything set forth in the Carrizo CIC Plan to the contrary, the Change in Control Benefits (as defined in the Carrizo CIC Plan), the Severance Benefits (as set forth in Section 3.02(e)(3) of the Carrizo CIC Plan), and the Other Acceleration Benefits shall not apply to the Long-Term Cash Incentive Award granted hereunder, and hereby waives any right to any equity acceleration benefits provided for under the Carrizo CIC Plan or the Other Acceleration Benefits with respect to this Long-Term Cash Incentive Award. The Grantee further acknowledges and agrees that the Long-Term Cash Incentive Award shall not constitute a "bonus" (or similar term) for purposes of any other plan or agreement between the Grantee and Carrizo or the Company (or a subsidiary thereof), including, for the avoidance of doubt, for purposes of calculating severance benefits under any such agreement or plan.

(e) *Forfeiture*. Notwithstanding anything herein to the contrary, but subject to Section 4(a) and Section 4(b) herein and the terms of any change in control severance compensation agreement between the Grantee and the Company under which the Grantee is entitled to severance benefits and accelerated vesting of incentive awards (including the Change in Control Severance Compensation Agreement between the Company and the Grantee but not including the Carrizo CIC Plan and the Other Acceleration Benefits), upon termination of the Grantee's employment with the Company (for any or no reason), the Long-Term Cash Incentive Award (to the extent not yet paid) shall be immediately forfeited without consideration.

5. **Clawback Policy**. The Grantee hereby acknowledges and agrees that all rights with respect to the Long-Term Cash Incentive Award are subject to the Company's Clawback Policy, as may be in effect from time to time. The Grantee further acknowledges and agrees that the Long-Term Cash Incentive Award and amounts received with respect to the Long-Term Cash Incentive Award are subject to recoupment pursuant to the terms of the Company Clawback Policy.

6. **Mandatory Withholding of Taxes**. Grantee acknowledges and agrees that the Company shall deduct from the cash otherwise payable or deliverable an amount of cash that is equal to the amount of all federal, state and local taxes required to be withheld by the Company.

7. **Notice**. Unless the Company notifies the Grantee in writing of a different procedure, any notice or other communication to the Company with respect to this Agreement shall be in writing and shall be delivered personally or sent by first class mail, postage prepaid to the following address:

Callon Petroleum Company
2000 W. Sam Houston Parkway South, Suite 2000
Houston, Texas 77042
Attention: Human Resources

with a copy to:

Callon Petroleum Company
2000 W. Sam Houston Parkway South, Suite 2000
Houston, Texas 77042
Attention: Law Department

Any notice or other communication to the Grantee with respect to this Agreement shall be in writing and shall be delivered personally, and (i) shall be sent by first class mail, postage prepaid, to Grantee's address as listed in the records of the Company on the Effective Date, unless the Company has received written notification from the Grantee of a change of address, or (ii) shall be sent to the Grantee's e-mail address specified in the Company's records.

8. **Grantee Employment**. Nothing contained in this Agreement, and no action of the Company or the Committee with respect hereto, shall confer or be construed to confer on the Grantee any right to continue in the employ of the Company or interfere in any way with the right of the Company to terminate the Grantee's employment at any time, with or without cause; subject, however, to the provisions of the Grantee's employment agreement, if applicable.

9. **Governing Law**. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Delaware. Any suit, action or other legal proceeding arising out of this Agreement shall be brought in the United States District Court for the Southern District of Texas, Houston Division, or, if such court does not have jurisdiction or will not accept jurisdiction, in any court of general jurisdiction in Harris County, Texas. Each of the Grantee and the Company consents to the jurisdiction of any such court in any such suit, action, or proceeding and waives any objection that it may have to the laying of venue of any such suit, action, or proceeding in any such court.

10. **Construction**. References in this Agreement to "this Agreement" and the words "herein," "hereof," "hereunder" and similar terms include all exhibits and schedules appended hereto, including the Plan. This Agreement is entered into, and the Award evidenced hereby is granted, pursuant to the Plan and shall be governed by and construed in accordance with the Plan and the administrative interpretations adopted by the Committee hereunder. All decisions of the Committee upon questions regarding this the Plan or this Agreement shall be conclusive. Unless otherwise expressly stated herein, the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan shall control. The headings of the sections of this

Agreement have been included for convenience of reference only, are not to be considered a part hereof and shall in no way modify or restrict any of the terms or provisions hereof.

11. **Code Section 409A**. The Long-Term Cash Incentive Award granted under this Agreement is designed to be exempt from or comply with Section 409A of the Internal Revenue Code of 1986, as amended from time to time (the "**Code**") and the related Treasury Regulations thereunder and the provisions of this Agreement will be administered, interpreted and construed accordingly (or disregarded to the extent such provision cannot be so administered, interpreted, or construed). If the Grantee is identified by the Company as a "specified employee" within the meaning of Code Section 409A(a)(2)(B)(i) on the date on which the Grantee has a "separation from service" (other than due to death) within the meaning of Treasury Regulation § 1.409A-1(h), any amount payable or settled under this Agreement on account of a separation from service that is deferred compensation subject to Section 409A of the Code shall be paid or settled on the earliest of (1) the first business day following the expiration of six months from the Grantee's separation from service, (2) the date of the Grantee's death, or (3) such earlier date as complies with the requirements of Section 409A of the Code.

12. **Excise Taxes**. Notwithstanding anything to the contrary in this Agreement, if the Grantee is a "disqualified individual" (as defined in Code Section 280G(c)), and the payments and benefits provided for under this Agreement, together with any other payments and benefits which the Grantee has the right to receive from the Company or any of its affiliates or any party to a transaction with the Company or any of its affiliates, would constitute a "parachute payment" (as defined in Code Section 280G(b)(2)), then the payments and benefits provided for under this Agreement shall be either (a) reduced (but not below zero) so that the present value of such total amounts and benefits received by the Grantee from the Company and its affiliates will be one dollar ($1.00) less than three times the Grantee's "base amount" (as defined in Code Section 280G(b)(3)) and so that no portion of such amounts and benefits received by the Grantee shall be subject to the excise tax imposed by Code Section 4999 or (b) paid in full, whichever produces the better net after-tax position to the Grantee (taking into account any applicable excise tax under Code Section 4999 and any other applicable taxes). The reduction of payments and benefits hereunder, if applicable, shall be made by reducing payments or benefits to be paid hereunder in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time). The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary shall be made by a nationally recognized accounting firm selected by the Company. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits from the Company (or its affiliates) used in determining if a parachute payment exists, exceeds one dollar ($1.00) less than three times the Grantee's base amount, then the Grantee shall immediately repay such excess to the Company upon notification that an overpayment has been made.

13. **Grantee Acceptance**. By electronically accepting this Agreement the Grantee hereby accepts the cash bonus award provided herein subject to the terms and conditions provided herein.

Grantee:

_____
[NAME]

Exhibit A

2021 Performance Year Performance Multiplier

1. General. The Annual Accrued Amount for the 2021 Performance Year under the Agreement will be determined based on the Company's Adjusted Free Cash Flow for 2021 as shown in the following table. If the Adjusted Free Cash Flow is between amounts shown, the Performance Multiplier shall be linearly interpolated; provided however, that (i) in no event will the Performance Multiplier be greater than 200% and (ii) the Performance Multiplier will be 0% if the Adjusted Free Cash Flow is not at least $90 million.

Adjusted Free Cash Flow	Performance Multiplier
$200 million or greater	200%
$130 million	100%
$90 million	50%
Less than $90 million	0%

Exhibit 10.3

CHANGE IN CONTROL SEVERANCE COMPENSATION AGREEMENT

THE AGREEMENT was made and entered into as of April 16, 2021, (the "***Effective Date***"), by and between Callon Petroleum Company, a Delaware corporation (the "***Company***", and together with its subsidiaries, "***Callon***") and [_____] ("***Executive***"). Callon and Executive may be referred to individually herein as "***Party***" and collectively as "***Parties***".

WITNESSETH:

WHEREAS, Callon desires to assure fair treatment of its key executives in the event of a Change in Control or Merger of Equals (as such terms are defined below) and to allow them to make critical career decisions without undue time pressure and financial uncertainty, thereby increasing their willingness to remain with Callon notwithstanding the outcome of a possible Change in Control or Merger of Equals transaction; and

WHEREAS, the Board of Directors of the Company (the "***Board***") believes it is essential to provide the Executive with compensation arrangements upon a Change in Control or Merger of Equals which provide the Executive with individual financial security and which are competitive with those of other similar corporations, and in order to accomplish these objectives, the Board has caused Callon to enter into this Agreement;

NOW, THEREFORE, in consideration of the mutual premises and conditions contained herein, the parties hereto agree as follows:

Article 1. Definitions

For purposes of this agreement, the terms set forth below shall have the following respective meanings:

"***Affiliate***" has the same meaning ascribed to such term in Rule 12b-2 under the Exchange Act.

"***Change in Control***" means the occurrence of one or more of the following:

(a) The acquisition (other than directly from the Company) by any Person (other than an Exempt Person) of beneficial ownership of 30% or more of the total fair market value or total voting power of the Company's Voting Stock, provided that if any Person owns 30% or more of the total voting power of the Company's Voting Stock, the acquisition of additional control of the Company by the same Person is not considered to cause a Change in Control;

(b) Individuals who, as of the Effective Date, constitute the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the Board; provided, however that any individual becoming a director subsequent to such date whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of

the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation of a reorganization, merger or consolidation, or sale or other disposition of all or substantially all of the assets (which, for this purpose, shall be deemed to be 40% or more of the total gross fair market value of the Company's assets) of the Company (a "***Business Combination***"), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Company's Voting Stock immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding Voting Stock of the parent entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Company's Voting Stock, (ii) no Person (excluding any Exempt Person) beneficially owns, directly or indirectly, 30% or more of the total fair market value or total voting power of the then outstanding Voting Stock of the parent entity resulting from such Business Combination and (iii) at least a majority of the members of the board of directors (or equivalent governing body) of the parent entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended from time to time.

"***Exempt Person***" means any of (1) the Company or any of its Subsidiaries, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (3) an underwriter temporarily holding stock pursuant to an offering of such stock, or (4) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of the Company's stock.

"***Merger of Equals***" means the consummation of a Business Combination unless, (i) such Business Combination is a Change in Control or (ii) following such Business Combination, all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the outstanding Voting Stock of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, 60% or more of, respectively, the then outstanding Voting Stock of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more

subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Voting Stock.

"***Person***" shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d) thereof.

"***Subsidiary***" means (i) in the case of a corporation, any corporation of which the Company directly or indirectly owns shares representing more than 50% of the combined voting power of the shares of all classes or series of capital stock of such corporation which have the right to vote generally on matters submitted to a vote of the stockholders of such corporation and (ii) in the case of a partnership or other business entity not organized as a corporation, any such business entity of which the Company directly or indirectly owns more than 50% of the voting, capital or profits interests (whether in the form of partnership interests, membership interests or otherwise).

"***Voting Stock***" shall mean stock of any class or kind having the power to vote generally for the election of directors (or members of a comparable governing body).

Article 2. Term

This Agreement shall terminate, except to the extent that any obligation of Callon hereunder remains unpaid as of such time and Executive's ongoing obligations pursuant to Article 7, upon the earliest of:

(a) December 31, 2021; provided, however, that, commencing on December 31, 2021, and on each anniversary date thereafter (each such date, an "***Anniversary Date***"), the expiration date under this clause (a) shall automatically be extended for one additional year unless either party shall have given thirty (30) day written notice prior to such Anniversary Date that it does not wish to extend this Agreement; provided, however, that if the Agreement has not terminated prior to the date the Company enters into a definitive agreement that will result in a Change in Control or Merger of Equals or the date a Change in Control or Merger of Equals occurs, the expiration date under this clause shall not occur earlier than the second anniversary of the effective date of the Change in Control or Merger of Equals, as applicable, or the date the agreement to effectuate such Change in Control or Merger of Equals, as applicable, is terminated, as applicable;

(b) The termination of the Executive's employment with Callon based on death, Disability (as defined in Section 4.1), or Cause (as defined in Section 4.2);

(c) The voluntary resignation of the Executive for any reason other than Good Reason (as defined in Section 4.3); and

(d) Any termination of Executive's employment prior to a Change in Control or Merger of Equals, except as expressly provided in Article 3.

Article 3. Deemed Eligible Termination

Except as provided herein, no benefits shall be payable hereunder unless (i) there shall have been a Change in Control, and Executive's employment by Callon shall thereafter have been terminated within two (2) years after the date of such Change in Control or (ii) there shall have been a Merger of Equals, and Executive's employment by Callon shall thereafter have been terminated within six (6) months after the date of such Merger of Equals, in each case, in accordance with Article 4.

If the Executive's employment with Callon is terminated by Callon for reasons other than Cause or Disability in accordance with the provisions of Article 4 within the six (6) month period prior to the date on which a Change in Control is effective, and it is reasonably demonstrated that such termination: (i) was at the request of a third party who has taken steps reasonably calculated to effectuate such Change in Control or (ii) otherwise arose in connection with such Change in Control, then for all purposes hereof, such termination shall be deemed to have occurred following such Change in Control (for purposes of this Agreement, a "***Deemed Eligible Termination***").

Notwithstanding the foregoing provisions of Article 3, with respect to any payment hereunder that (i) is subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***") and (ii) a Change in Control would accelerate the timing of such payment, the term "Change in Control" shall mean a change in the ownership or effective control of Callon, or in the ownership of a substantial portion of the assets of Callon as defined under Code Section 409A, but only to the extent inconsistent with the above definitions and to the minimum extent necessary to comply with Section 409A, as determined by Callon.

Article 4. Termination of Employment Following a Change in Control or Merger of Equals

If (i) a Change in Control shall have occurred and Executive's employment is subsequently terminated within two (2) years following the date of such Change in Control, (a) by Callon other than for Cause (as defined in Section 4.2) or Disability (as defined in Section 4.1) or (b) by Executive for Good Reason (as defined in Section 4.3), or (ii) a Merger of Equals shall have occurred and Executive's employment is subsequently terminated by Callon other than for Cause (as defined in Section 4.2) within six (6) months following the date of such Merger of Equals, Executive shall be entitled to the benefits provided in Articles 6 and 7, subject to the additional requirements set forth therein. For the avoidance of doubt, no benefits will be payable hereunder on a termination of Executive's employment due to Disability or death, due to termination by Callon for Cause, or due to Executive's voluntary termination of employment without Good Reason.

4.1 Disability. If, upon the Disability (as defined below) of Executive, and within thirty (30) days after written Notice of Termination (as defined in Section 4.4) is given, Executive has not returned to the full-time performance of his employment duties, Callon may terminate Executive's employment for Disability. For purposes of this Agreement, "***Disability***" is defined as the physical or mental inability of Executive to carry out the normal and usual duties

of his employment on a full-time basis for an entire period of six (6) continuous months, together with the reasonable likelihood, as determined by the Board upon the advice of a physician selected or approved by the Board, that Executive will be unable to carry out the normal and usual duties of his employment on a full-time basis for the next following continuous period of six (6) months.

4.2 Cause. For purposes hereof, "***Cause***" is defined as: (i) the conviction of the Executive by a court of competent jurisdiction as to which no further appeal can be taken of a crime involving moral turpitude or a felony or entering the plea of nolo contendere to such crime by the Executive; (ii) the commission by the Executive of a material act of fraud upon Callon; (iii) the material misappropriation by the Executive of any funds or other property of Callon; (iv) the knowing engagement by the Executive without the written approval of the Board, in any material activity which directly competes with the business of Callon, or which would directly result in material injury to the business or reputation of Callon; (v)(1) a material breach by the Executive during the Executive's employment with Callon of any of the restrictive covenants set out in the Executive's employment agreement with the Company, if applicable, or (2) the willful and material nonperformance of the Executive's duties to Callon (other than by reason of the Executive's illness or incapacity), and, for purposes of this clause (v), no act or failure to act on Executive's part shall be deemed "willful" unless it is done or omitted by the Executive not in good faith and without his reasonable belief that such action or omission was in the best interest of Callon, (vi) any breach of the Executive's fiduciary duties to Callon, including, without limitation, the duties of care, loyalty and obedience to the law; and (vii) the intentional failure of the Executive to comply with Callon's Code of Business Conduct and Ethics, or to otherwise discharge his duties in good faith and in a manner that the Executive reasonably believes to be in the best interests of Callon, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

4.3 Good Reason. Subject to Section 4.4, Executive may terminate his employment for Good Reason. For purposes of this Agreement, "***Good Reason***" shall mean any of the following:

(a) Following a Change in Control, a material diminution in the scope, nature or status of Executive's responsibilities;

(b) Following a Change in Control, (1) a reduction in Executive's base salary as in effect on the date of a Change in Control or as the same may be increased from time to time thereafter, or (2) a failure by Callon to continue to provide Executive with compensation and benefits that do not represent a material reduction, either in amount of compensation opportunity and benefits provided or the level of the Executive's participation relative to other participants, in the compensation and benefits provided immediately prior to the Change in Control;

(c) Following a Change in Control, Executive's relocation by Callon to a location in excess of 50 miles from the location where Executive was based immediately prior to the Change in Control, except for a relocation consented to by Executive, if all reasonable costs of relocation, including moving expenses, costs of selling a

principal residence (and, if requested by Executive, the purchase of such principal residence at its then-appraised value as appraised by a qualified and licensed appraiser selected by Executive) are paid or provided for by Callon;

(d) Following a Change in Control, the failure by Callon to continue in effect any compensation plan in which Executive participates unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to such plan in connection with a Change in Control, or the failure of Callon to continue Executive's participation therein or the taking of any action by Callon which would materially and adversely affect Executive's participation in any such plan or reduce Executive's benefits thereunder;

(e) Following a Change in Control, the failure by Callon to continue to provide Executive with benefits not less, in the aggregate, than those enjoyed under any of Callon's pension, life insurance, medical, health, and accident, or disability plans in which Executive was participating at the time of a Change in Control or the taking of any action by Callon which would directly or indirectly materially reduce any such benefits;

(f) Following a Change in Control, the failure of Callon to obtain a satisfactory agreement from any successor or parent thereof to assume and agree to perform this Agreement pursuant to Article 8; or

(g) Following a Change in Control, any purported termination of Executive's employment with Callon which is not effected pursuant to a Notice of Termination satisfying the requirements of Section 4.4 (and for purposes of this Agreement, no such purported termination shall be effective).

Notwithstanding the foregoing definition of "Good Reason", the Executive cannot terminate his employment hereunder for Good Reason unless the Executive (1) first notifies the Board in writing of the event (or events) which the Executive believes constitutes a Good Reason event under clauses (a) through (g) (above) within sixty (60) calendar days from the date of such event, and (2) provides Callon with at least thirty (30) calendar days to cure, correct or mitigate the Good Reason event so that it either (A) does not constitute a Good Reason event hereunder or (B) the Executive specifically agrees, in writing, that after any such modification or accommodation made by Callon, such event does not constitute a Good Reason event hereunder.

The Executive's mental or physical incapacity following the occurrence of any of the circumstances described in clauses (a) through (g) (above) shall not affect the Executive's ability to terminate employment for Good Reason, and the Executive's death following delivery of a Notice of Termination for Good Reason shall not affect his designated beneficiary's entitlement to any benefits provided hereunder upon a termination of employment for Good Reason. Notwithstanding anything herein to the contrary, the Executive's resignation under this Agreement, with or without Good Reason, shall not affect the Executive's eligibility to receive benefits under any retirement or pension plan of Callon or its Affiliates.

4.4 Notice of Termination. Any termination pursuant to the foregoing provisions of this Article 4 (excluding a termination due to Executive's death) shall be communicated by written Notice of Termination to the other party hereto. For purposes hereof, a "***Notice of Termination***" shall mean a notice which shall indicate the specific termination provision herein relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated. In the event that Executive seeks to terminate his employment with Callon pursuant to Section 4.3, he must communicate his written Notice of Termination to Callon within sixty (60) days of being notified of such action or actions by Callon which constitute Good Reason for termination.

4.5 Date of Termination. The term "***Date of Termination***" shall mean: (i) if this Agreement is terminated for Disability, thirty (30) days after Notice of Termination is given (provided that Executive has not returned to the performance of his duties on a full-time basis during such thirty (30) day period); or (ii) if Executive's employment is terminated pursuant to Section 4.3, or if Executive's employment is terminated for any other reason, the date that Executive incurs a "separation from service" (as such term is defined in final Treasury Regulations issued under Code Section 409A and any other authoritative guidance issued thereunder), as determined by Callon.

4.6 Reimbursement of Expenses. To the extent this Agreement provides for the reimbursement of expenses which are not specifically excluded from Code Section 409A, (i) the amount of expenses eligible for reimbursement during the Executive's taxable year shall not affect the expenses eligible for reimbursement in any other taxable year and (ii) the reimbursement shall be made not later than by December 31st of the year following the calendar year in which such expense was incurred by the Executive.

Article 5. Compensation Upon Termination

5.1 Certain Terminations following a Change in Control or Merger of Equals. If a Change in Control or Merger of Equals shall have occurred and Executive's employment is subsequently terminated under circumstances described in the first paragraph of Article 4, or if Executive incurs a Deemed Eligible Termination, Executive shall be entitled to the following benefits, provided that within fifty (50) days following the Date of Termination Executive signs, and does not timely revoke, a general release in substantially the form set forth on Exhibit A, and Executive affirmatively agrees not to violate the provisions of Article 7:

(a) Callon shall pay to the Executive in a lump sum, in cash, on the date which is six (6) months following his Date of Termination, an amount equal to (i) two (2) times the sum of: (A) the Executive's annual base salary as in effect immediately prior to the Change in Control or Merger of Equals, as applicable, or, if higher, in effect immediately prior to the Date of Termination, (B) the greatest of: (1) the average annual bonus (under all Callon annual bonus plans for which the Executive is eligible) earned with respect to the three (3) most recently completed full fiscal years, (2) the target annual bonus (under all Callon annual bonus plans for which the Executive is eligible) for the fiscal year in which the Change in Control or Merger of Equals, as applicable, occurs or (3) the target annual bonus

(under all Callon annual bonus plans for which the Executive is eligible) for the fiscal year in which the Date of Termination occurs, plus (ii) the greater of (A) the target annual bonus (under all Callon annual bonus plans for which the Executive is eligible) for the fiscal year in which the Change in Control or Merger of Equals, as applicable, occurs or (B) the target annual bonus (under all Callon annual bonus plans for which the Executive is eligible) for the fiscal year in which the Date of Termination occurs, in each case, multiplied by a fraction (x) the numerator of which is the number of days in the period beginning on January 1 of the fiscal year in which the Date of Termination occurs and ending on the Date of Termination and (y) the denominator of which is 365.

(b) Callon shall, at its expense, maintain in full force and effect for Executive's continued benefit until twenty-four (24) months after the Date of Termination all medical, dental, and vision insurance coverage to which Executive was entitled immediately prior to the Notice of Termination. The continued coverage under this Section 5.1(b) shall be provided in a manner that is intended to satisfy an exception to Section 409A of the Code, and therefore not treated as an arrangement providing for nonqualified deferred compensation that is subject to taxation under Code Section 409A, including (i) providing such benefits on a nontaxable basis to Executive, (ii) providing for the reimbursement of medical expenses incurred during the time period during which Executive would be entitled to continuation coverage under a group health plan of Callon pursuant to Section 4980B of the Code (i.e., COBRA continuation coverage), (iii) providing that such benefits constitute the reimbursement or provision of in-kind benefits payable at a specified time or pursuant to a fixed schedule as permitted under Code Section 409A and the authoritative guidance thereunder, or (4) such other manner as determined by Callon in compliance with an exception from being treated as nonqualified deferred compensation subject to Code Section 409A. Further, the continued coverage under this Section 5.1(b) shall be provided as alternative coverage to continuation coverage under Section 4980B of the Code ("COBRA") and if Executive accepts such continued coverage under this Section 5.1(b), he or she will be deemed to have declined COBRA continuation coverage. In the event of a Deemed Eligible Termination, (i) the Executive will be entitled to a make-up payment (paid on the date the Executive's severance payment is made pursuant to Section 5.1(a)) in an amount equal to the value of the coverage that would have been provided from the Date of Termination until the date of the Change in Control or Merger of Equals, as applicable, had Executive been treated as eligible for benefits pursuant to Section 5.1(b) as of the Date of Termination, and (ii) Executive's benefits pursuant to this Section 5.1(b) will begin as of the date of the Change in Control or Merger of Equals, as applicable.

(c) Callon's obligation to pay severance amounts due to the Executive pursuant to this Section 5.1, to the extent not already paid, shall cease immediately and such payments will be forfeited if the Executive violates any of the covenants or conditions described in Sections 7.1, 7.2 or 7.3 after the Date of Termination.

5.2 Limitation on Payments.

(a) *Definitions*. For purposes of this Section 5.2, the following capitalized terms have the meanings ascribed to them, below.

"***Excise Tax***" means the excise tax imposed by Section 4999 of the Code with respect to the Total Payments together with any interest or penalties with respect to such excise tax.

"***Incentive Award***" means a stock option, stock appreciation right, restricted stock award, restricted stock unit award, or other equity-type award under any plan or agreement in which Executive has, or will (by the passage of time or based on Executive's performance) have, an interest in the capital stock of Callon or an Affiliate, or a right to obtain capital stock or an interest in capital stock of Callon or an Affiliate as well as any cash retention, performance, or incentive award, other than annual bonuses under any Callon bonus plan.

"***Net After-Tax Benefit***" means (i) the Total Payments less (ii) the amount of all United States federal, state and local income and employment taxes payable with respect to the Total Payments (calculated at the maximum applicable marginal income tax rate for Executive under the Code), and less (iii) the amount of the Excise Tax imposed (based upon the rate for such year as set forth in the Code at the time of the first payment of the foregoing).

"***Total Payments***" means the total payments or other benefits that Executive becomes entitled to receive from Callon or an Affiliate in connection with a Change in Control or Merger of Equals that would constitute a "parachute payment" (within the meaning of Section 280G of the Code), whether payable pursuant to the terms of this Agreement or any other plan, arrangement, or agreement with Callon or an Affiliate.

(b) *Maximum Net After-Tax Benefit*. The Total Payments shall be reduced to the minimum extent necessary so that no portion of the Total Payments shall be subject to the Excise Tax, but only if, by reason of such reduction, the Net After-Tax Benefit received by Executive as a result of such reduction will exceed the Net After-Tax Benefit that would have been received by Executive if no such reduction was made. It is thus the objective of this Agreement to maximize Executive's Net After-Tax Benefit if any payments or benefits provided hereunder are subject to the Excise Tax.

In the event it is determined that the Total Payments to or for the benefit of Executive, whether paid or payable or distributed or distributable or otherwise, including, by example and not by way of limitation, acceleration of the date of vesting or payment or rate of payment under any plan, program or arrangement of Callon, would be subject to the Excise Tax, Callon shall first make a calculation under which such payments or benefits provided to Executive under this Agreement are reduced, to the minimum extent necessary, so that no portion thereof shall be subject to the Excise Tax (the "***Section 4999 Limit***"). Callon shall then compare (i) Executive's Net After-Tax Benefit assuming application of the Section 4999 Limit with (ii) Executive's Net After-Tax Benefit without the application of the Section 4999 Limit. In the event (i) is greater than (ii), Executive shall receive Total Payments solely up to the 4999 Limit. In the event (ii) is

greater than (i), Executive shall be entitled to receive all such Total Payments, and shall be solely liable for any and all Excise Tax related thereto.

All determinations required to be made under this Section 5.2, including whether an Excise Tax may apply to the Total Payments, will be made by the independent accounting firm which served as Callon's auditor immediately prior to the Change in Control or Merger of Equals, as applicable (the "***Accounting Firm***"). All fees and expenses of the Accounting Firm shall be borne solely by Callon and it shall be Callon's obligation to cause the Accounting Firm to take any actions required hereby.

Callon will direct the Accounting Firm to submit detailed supporting calculations both to Callon and the Executive within fifteen (15) business days after the Date of Termination, if applicable, or such earlier time as is requested by Callon. If applicable, Executive and Callon shall each provide the Accounting Firm with access to, and copies of, any books, records and documents in their respective possessions, as reasonably requested by the Accounting Firm, and otherwise reasonably cooperate with the Accounting Firm in connection with the preparation and issuance of the determinations and calculations contemplated by this Section 5.2.

If the Accounting Firm determines that a reduction in payments is required under this Section 5.2, Callon shall (to the extent feasible) reduce the Total Payments in the following order: (i) reduction of any cash severance payments otherwise payable to Executive that are exempt from Section 409A of the Code; (ii) reduction of any other cash payments or benefits otherwise payable to Executive that are exempt from Section 409A of the Code, but excluding any payments attributable to any acceleration of vesting or payments with respect to any Incentive Award that are exempt from Section 409A of the Code; (iii) reduction of any other payments or benefits otherwise payable to Executive on a pro rata basis or in such other manner that complies with Section 409A of the Code, but excluding any payments attributable to any acceleration of vesting and payments with respect to any Incentive Award that are exempt from Section 409A of the Code; and (iv) reduction of any payments attributable to any acceleration of vesting or payments with respect to any Incentive Award that are exempt from Section 409A of the Code, in each case beginning with payments that would otherwise be made last in time.

If the Accounting Firm determines that no Excise Tax is payable by Executive, it shall furnish Executive with an opinion that he has substantial authority not to report any Excise Tax on his federal income tax return.

5.3 No Mitigation or Set-off of Amounts Payable Hereunder. Executive shall not be required to mitigate the amount of any payment provided for in this Article 5 by seeking other employment or otherwise, nor shall the amount of any payment provided for in this Article 5 be reduced by any compensation earned by Executive as the result of employment by another employer after the Date of Termination, or otherwise. Callon's obligations hereunder also shall not be affected by any set-off, counterclaim, recoupment, defense, or other claim, right or action which Callon may have against Executive.

Article 6. Stock Options and Other Plans

6.1 Acceleration of Benefits. If Executive is eligible for severance payments pursuant to Section 5.1, including having signed and not timely revoked a general release in substantially the form set forth on Exhibit A, the following shall automatically occur effective as of the sixtieth (60^{th}) day following the Date of Termination, subject to delayed payment as may be required pursuant to Article 15:

(a) Notwithstanding any provision to the contrary in any applicable plan or agreement between Executive and Callon, all outstanding Incentive Awards then held by or for the benefit of Executive shall immediately become one hundred percent (100%) vested and, if applicable, exercisable, with any performance-based Incentive Awards earned at the level specified for a Change in Control event in the applicable award agreement, with the date of such Change in Control event for purposes of determining the applicable performance level being the date of the Change in Control or Merger of Equals, as applicable, or, if not specified, at the target level; provided, however, that such Incentive Awards shall not be accelerated if it would be an impermissible acceleration under Section 409A of the Code, but will be paid at the earliest permissible payment event consistent with the terms of the award and the requirements of Section 409A of the Code.

(b) Notwithstanding any provision to the contrary in any stock option agreement between Executive and Callon, Executive's right to exercise any previously unexercised and outstanding option under any stock option agreement shall not terminate until the latest date on which such option would expire under the terms of such agreement but for Executive's termination of employment.

(c) In the event Executive incurs a Deemed Eligible Termination and Incentive Awards that would have been accelerated or exercisability extended pursuant to this Article 6 have been forfeited as a result of Executive's earlier termination of employment, then Executive shall be entitled to a cash payment equal to (i) the value of any forfeited Incentive Award, determined, if applicable, based on the cash or market value of the number of securities that would have been delivered to Executive pursuant to such Incentive Award, in each case assuming the Incentive Awards were vested and delivered (and, if applicable, exercised) as of the date Executive's severance payments are made pursuant to this Agreement (or, with respect to any option, the last day of the original option term, if earlier), with any performance-based Incentive Awards vesting at the level specified in Section 6.1(a), reduced by (ii) the amount of any payment previously made in connection with the vesting or exercise of such Incentive Award.

Article 7. Noncompetition, Nonsolicitation, Nondisclosure of Trade Secrets, Nonpublic Information, and Ownership

7.1 Noncompetition. The Executive agrees that, if he becomes eligible for severance payments pursuant to Section 5.1, for a period of one year after the Date of Termination, he will

not, directly or indirectly, compete with Callon by providing services to any other person, partnership, association, corporation, or other entity that is an "Oil and Gas Business" in any geographic location where Callon operated as of the Date of Termination. As used herein, an "***Oil and Gas Business***" means owning, managing, acquiring, attempting to acquire, soliciting the acquisition of, operating, controlling, or developing Oil and Gas interests, or engaging in or being connected with, as a principal, owner, officer, director, employee, shareholder, promoter, consultant, contractor, partner, member, joint venture, agent, equity owner or in any other capacity whatsoever, any of the foregoing activities of the oil and gas exploration and production business. The parties agree that the above restrictions on competition are completely severable and independent agreements supported by good and valuable consideration and, as such, shall survive the termination of this Agreement for whatever reason. The parties further agree that any invalidity or unenforceability of any one or more of such restrictions on competition shall not render invalid or unenforceable any remaining restrictions on competition. Additionally, should a court of competent jurisdiction determine that the scope of any provision of this Section 7.1 is too broad to be enforced as written, the parties intend that the court reform the provision to such narrower scope as it determines to be reasonable and enforceable.

7.2 Nonsolicitation. If the Executive becomes eligible for severance payments pursuant to Section 5.1, for a period of two (2) years after the Date of Termination, the Executive shall not, on his own behalf or on behalf of any other person, partnership, association, corporation, or other entity: (a) directly, indirectly, or through a third party hire or cause to be hired; (b) directly, indirectly, or through a third party solicit; or (c) in any manner attempt to influence or induce any employee of Callon to leave the employment of Callon, nor shall he use or disclose to any person, partnership, association, corporation, or other entity any information obtained concerning the names and addresses Callon's employees. The parties agree that the above restrictions on hiring and solicitation are completely severable and independent agreements supported by good and valuable consideration and, as such, shall survive the termination of this Agreement for whatever reason. The parties further agree that any invalidity or unenforceability of any one or more such restrictions on hiring and solicitation shall not render invalid or unenforceable any remaining restrictions on hiring and solicitation. Additionally, should a court of competent jurisdiction determine that the scope of any provision of this Section 7.2 is too broad to be enforced as written, the parties intend that the court reform the provision to such narrower scope as it determines to be reasonable and enforceable.

7.3 Nondisclosure of Trade Secrets. Callon promises to disclose to the Executive and the Executive acknowledges that in, and as a result of, his employment by Callon, he will receive, make use of, acquire, have access to and/or become familiar with, various trade secrets and proprietary and confidential information of Callon, including, but not limited to, processes, computer programs, compilations of information, records, financial information, sales reports, sales procedures, customer requirements, pricing techniques, customer lists, method of doing business, identities, locations, performance and compensation levels of employees, and other confidential information (individually and collectively, "***Trade Secrets***") which are owned by Callon and used in the operation of its business, and as to which Callon takes precautions to prevent dissemination to persons other than certain directors, officers, and employees. The Executive acknowledges and agrees that the Trade Secrets:

(a) Are secret and not known in the industry;

(b) Give Callon an advantage over competitors who do not know or use the Trade Secrets;

(c) Are of such value and nature as to make it reasonable and necessary to protect and preserve the confidentiality and secrecy of the Trade Secrets; and

(d) Are valuable, special, and unique assets of Callon, the disclosure of which could cause substantial injury and loss of profits and goodwill to Callon.

The Executive promises not to use in any way or disclose any of the Trade Secrets and confidential and proprietary information, directly or indirectly, either during or after the term of his employment, except as required in the course of his employment with Callon, if required in connection with a judicial or administrative proceeding, or if the information becomes public knowledge other than as a result of an unauthorized disclosure by the Executive. All files, records, documents, information, data, and similar items relating to the business of Callon, whether prepared by the Executive or otherwise coming into his possession, will remain the exclusive property of Callon and may not be removed from the premises of Callon under any circumstances without the prior written consent of Callon (except in the ordinary course of business during the Executive's period of active employment under this Agreement), and in any event must be promptly delivered to Callon upon termination of the Executive's employment with Callon. The Executive agrees that upon his receipt of any subpoena, process, or other requests to produce or divulge, directly or indirectly, any Trade Secrets to any entity, agency, tribunal, or person, whether received during or after the term of the Executive's employment with Callon, the Executive shall timely notify and promptly deliver a copy of the subpoena, process, or other request to Callon. For this purpose, the Executive irrevocably nominates and appoints Callon (including any attorney retained by Callon), as his true and lawful attorney-in-fact, to act in the Executive's name, place, and stead to perform any act that the Executive might perform to defend and protect against any disclosure of any Trade Secrets.

The parties agree that the above restrictions on confidentiality and disclosure are completely severable and independent agreements supported by good and valuable consideration and, as such, shall survive the termination of this Agreement for whatever reason. The parties further agree that any invalidity or unenforceability of any one or more of such restrictions on confidentiality and disclosure shall not render invalid or unenforceable any remaining restrictions on confidentiality and disclosure. Additionally, should a court of competent jurisdiction determine that the scope of any provision of this Section 7.3 is too broad to be enforced as written, the parties intend that the court reform the provision to such narrower scope as it determines to be reasonable and enforceable.

7.4 Ownership. The Executive agrees that all inventions, copyrightable material, business and/or technical information, marketing plans, customer lists, and trade secrets which arise out of the performance of this Agreement are the property of Callon.

7.5 No Disparaging Comments. Executive and Callon shall refrain from any criticisms or disparaging comments about each other or in any way relating to Executive's employment or separation from employment with Callon; provided, however, that nothing in this Agreement shall apply to or restrict in any way the communication of information to any governmental law enforcement agency by either party that is required by compulsion of law. A violation or threatened violation of this prohibition may be enjoined by a court of competent jurisdiction. The rights under this provision are in addition to any and all rights and remedies otherwise afforded by law to the parties.

Executive acknowledges that in executing this Agreement, he has knowingly, voluntarily, and intelligently waived any free speech, free association, free press or First Amendment to the United States Constitution (including, without limitation, any counterpart or similar provision or right under any other state constitution which may be deemed to apply) and rights to disclose, communicate, or publish disparaging information or comments concerning or related to Callon; provided, however, nothing in this Agreement shall be deemed to prevent Executive from testifying fully and truthfully in response to a subpoena from any court or from responding to an investigative inquiry from any governmental agency.

For all purposes of the obligations of Executive under this Section 7.5, the term "Callon" refers to the Callon Petroleum Company and its Subsidiaries and Affiliates, and its and their directors, officers, employees, shareholders, investors, partners and agents.

7.6 Protected Disclosures. Notwithstanding anything herein to the contrary, nothing in this Agreement will be construed to prohibit the Executive from reporting possible violations of law or regulation to any governmental agency or regulatory body or making other disclosures that are protected under any law or regulation, or from filing a charge with or participating in any investigation or proceeding conducted by any governmental agency or regulatory body. This Agreement does not limit the Executive's right to receive an award for information provided to any governmental agency or regulatory body. Further, in accordance with the Defend Trade Secrets Act, the Executive may not be held criminally or civilly liable under any Federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a Federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

7.7 Subsidiaries and Affiliates Included. Except where otherwise expressly provided, for all purposes of the obligations of Executive under this Article 7, the term "Callon" refers to the Callon Petroleum Company and its Subsidiaries and Affiliates.

Article 8. Successors; Binding Agreement

8.1 Successors of Callon. Callon will require any successor (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all of the business and/or assets of Callon, by agreement in form and substance satisfactory to Executive, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that Callon would be required to perform it if no such succession had taken place. Failure

of Callon to obtain such agreement prior to the effectiveness of any such succession shall be a breach hereof and shall entitle Executive to compensation from Callon in the same amount and on the same terms as Executive would be entitled hereunder if Executive terminated his employment for Good Reason, the date on which any such succession becomes effective shall be deemed the Date of Termination; provided however, that such compensation shall be paid to Executive only if such successor is a considered to be a successor to Callon by reason of a Change in Control. As used herein, "***Callon Petroleum Company***" shall mean Callon as hereinbefore defined and any successor to its business and/or assets as aforesaid which executes and delivers the agreement provided for in this Section 8.1, or which otherwise becomes bound by all the terms and provisions hereof by operation of law. Wherever appropriate to the intention of the parties, the respective rights and obligations of the parties hereunder shall survive any termination or expiration of this Agreement.

8.2 Executive's Heirs, Etc. This Agreement shall inure to the benefit of and be enforceable by Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees, and legatees. If Executive should die while any amounts would still be payable to him hereunder as if he had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms hereof to his designee or, if there be no such designee, to his estate upon prior receipt by Callon of a proper notice regarding the legal representative of such estate.

Article 9. Notice

For the purposes hereof, notices and all other communications provided for herein shall be in writing and shall be deemed to have been duly given when delivered or mailed. Each notice or other communication required or permitted under this Agreement shall be in writing and transmitted or delivered by personal delivery, prepaid courier or messenger service (whether overnight or same-day), prepaid telecopy or facsimile, or prepaid certified or registered United States mail (with return receipt requested), addressed to Callon at its principal place of business and to Executive at his address as shown on the records of Callon, provided that all notices to Callon shall be directed to the attention of the Chief Executive Officer of Callon with a copy to the Corporate Secretary of Callon, or to such other address provided in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt, or at such other address as the recipient has designated by notice to the other party.

Each notice or communication so transmitted, delivered, or sent in person, by courier or messenger service, or by certified United States mail, shall be deemed given, received, and effective on the date delivered to or refused by the intended recipient (with the return receipt, or the equivalent record of the courier or messenger, being deemed conclusive evidence of delivery or refusal.) Nevertheless, if the date of delivery is after 5:00 p.m. (local time of the recipient) on a business day, the notice or other communication shall be deemed given, received and effective on the next business day.

Article 10. Miscellaneous

10.1 Waiver and Amendment. No provisions hereof may be amended, modified, waived, or discharged unless such amendment, waiver, modification, or discharge is agreed to in writing and signed by Executive and such officer as may be specifically designated by the Board (which shall in any event include Callon's Chief Executive Officer or Chairman of the Board). No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision hereof, to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly herein.

10.2 Tax Consequences. Callon or its affiliate shall withhold from any payments or benefits under this Agreement (whether or not otherwise acknowledged under this Agreement) all federal, state, local, or other taxes that it is required to withhold.

Executive understands, acknowledges, and agrees that Company cannot, and does not, provide any tax or legal advice to Executive. Any tax-related information that has been provided, or will be provided, to Executive is solely for informational purposes and should not be relied upon by Executive. Executive acknowledges that he has reviewed with his own tax advisors the tax consequences of this Agreement and the transactions contemplated hereby. Executive is relying solely on his tax advisors and not on any statements or representations of Callon or any of its agents and understands that Executive (and not Callon) shall be responsible for Executive's own tax liability that may arise as a result of this Agreement or the transactions contemplated hereby, except as otherwise specifically provided in this Agreement.

10.3 Employment Status. Nothing in this Agreement provides the Executive with any right to continued employment with Callon or any of its affiliates, or shall interfere with the right of Callon or an affiliate to terminate the Executive's employment at any time subject to Callon's obligations under this Agreement.

10.4 No Exclusivity. Except as expressly provided herein, this Agreement shall not prevent or limit the Executive's participation in any other plan or arrangement maintained by Callon for which the Executive qualifies, nor shall it impair any rights that the Executive may have under any other plan, program, contract or agreement with Callon or any of its affiliates.

10.5 Reformation and Severability. The Parties fully intend that this Agreement comply with all applicable laws and legal requirements. Should any provision of this Agreement be declared or be determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, the Agreement shall first be reformed to make the provision at issue enforceable and effective to the full extent permitted by law. If such reformation is not possible, all remaining provisions of this Agreement shall otherwise remain in full force and effect and shall be construed as if such illegal, invalid, or unenforceable provision has not been included herein.

10.6 Entire Agreement. This Agreement sets forth the entire agreement of the Parties and fully supersedes and replaces any and all prior agreements, promises, representations, or understandings, written or oral, between Callon and Executive relating to the subject matter of this Agreement including, without limitation, the Severance Compensation Agreement between Executive and the Company effective as of _____ and as thereafter amended. This Agreement may be amended or modified only by a written instrument identified as an amendment hereto that is executed by both Executive and by the Chief Executive Officer of Callon or Chairman of the Board (or another officer who is authorized by the Board) on behalf of Callon.

10.7 Executive Acknowledgment. Executive acknowledges that (a) he is knowledgeable and sophisticated as to business matters, including the subject matter of this Agreement, (b) he has read this Agreement and understands its terms and conditions, (c) he has had ample opportunity to review and discuss this Agreement with legal counsel of his choice prior to execution should he desire to do so, and (d) no strict rules of construction will apply for or against the drafter or any other party. Executive represents that there are no restrictions on his right to enter into this Agreement.

Article 11. Validity

The invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

Article 12. Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

Article 13. Governing Law; Jurisdiction

All matters or issues relating to the interpretation, construction, validity, and enforcement of this Agreement shall be governed by the laws of the State of Texas, without giving effect to any choice-of-law principle that would cause the application of the laws of any jurisdiction other than Texas. Jurisdiction and venue of any action or proceeding relating to this Agreement or any Dispute shall be exclusively in the State of Texas (unless otherwise mutually agreed by the parties), and the parties hereby waive any objection to such jurisdiction or venue including, without limitation, to the effect that the location is inconvenient.

Article 14. Interpretative Matters

In the interpretation of the Agreement, except where the context otherwise requires:

(a) "**including**" or "**include**" does not denote or imply any limitation;

(b) "**or**" has the inclusive meaning "and/or";

(c) the singular includes the plural, and vice versa, and each gender includes each of the others;

(d) captions or headings are for reference purposes only, and they are not to be considered in interpreting the Agreement;

(e) "**Section**" refers to a Section of the Agreement, unless otherwise stated in the Agreement;

(f) "**month**" refers to a calendar month; and

(g) a reference to any statute, rule, or regulation includes (1) any amendment thereto, (2) any statute, rule, or regulation enacted or promulgated in replacement thereof, and (3) any regulation or other authority issued by the appropriate governmental entity under, or with respect to, a statute.

Article 15. Compliance with Section 409A

Any provisions of the Agreement that are subject to Section 409A of the Code ("***Section 409A***") are intended to comply with all applicable requirements of Section 409A, or an exemption from the application of Section 409A, and shall be interpreted and administered accordingly. Any ambiguous provision will be construed in a manner that is compliant with, or exempt from, the application of Section 409A. Notwithstanding any provision of this Agreement to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amount or benefit that constitutes "non-qualified deferred compensation" (within the meaning of Section 409A) upon or following a termination of the Executive's employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision, references herein to a "termination," "termination of employment" or like terms shall mean "separation from service" within the meaning of Section 409A.

Notwithstanding any provision of this Agreement to the contrary, if any payment or other benefit provided herein would be subject to additional taxes and interest under Section 409A because the timing of such payment is not delayed as required by Section 409A for a "specified employee," then if the Executive is on the applicable date a specified employee, any such payment that the Executive would otherwise be entitled to receive during the first six months following his "separation from service" (as defined under Section 409A) shall be accumulated and paid, within ten (10) days after the date that is six months following the Executive's date of "separation from service," or such earlier date upon which such amount can be paid under Section 409A without being subject to such additional taxes and interest such as, for example, upon the Executive's death.

With respect to any amounts or benefits that are subject to Section 409A, this Agreement shall in all respects be administered in accordance with Section 409A. Each payment under this Agreement shall be treated as a separate payment for purposes of Section 409A. In no event may

the Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement.

All reimbursements and in-kind benefits provided under this Agreement that constitute deferred compensation within the meaning of Section 409A shall be made or provided in accordance with the requirements of Section 409A. Within the time period permitted by Section 409A, Callon may, in consultation with the Executive, modify the Agreement in the least restrictive manner necessary and without any diminution in the value of payments or other benefits to the Executive hereunder, in order to avoid the imposition of accelerated tax, additional tax and/or penalties on the Executive under Section 409A.

[Next page is signature page]

IN WITNESS WHEREOF, the Parties hereto have executed this amended and restated Agreement on the dates set forth below, to be effective as of the Effective Date.

CALLON PETROLEUM COMPANY

By:_____
[NAME]
[TITLE]

EXECUTIVE

By:_____
[_____]

EXHIBIT A

FORM OF WAIVER AND RELEASE

[The language in this Release may change based on legal developments and evolving best practices; this form is provided as an example of what will be included in the final Release document.]

In consideration of, and as a condition precedent to, the severance payment (the "***Severance***") described in that certain Severance Compensation Agreement (the "***Agreement***") effective as of _____, 2021 between Callon Petroleum Company, a Delaware corporation (the "***Company***"), and [_____] ("***Executive***"), which were offered to Executive in exchange for a general waiver and release of claims (this "***Waiver and Release***"). Executive having acknowledged the above-stated consideration as full compensation for and on account of any and all injuries and damages which Executive has sustained or claimed, or may be entitled to claim, Executive, for himself, and his heirs, executors, administrators, successors and assigns, does hereby release, forever discharge and promise not to sue the Company, its parents, subsidiaries, affiliates, successors and assigns, and their past and present officers, directors, partners, employees, members, managers, shareholders, agents, attorneys, accountants, insurers, heirs, administrators, executors, as well as all employee benefit plans maintained by any of the foregoing entities or individuals, and all fiduciaries and administrators of such plans, in their personal and representative capacities (collectively the "***Released Parties***") from any and all claims, liabilities, costs, expenses, judgments, attorney fees, actions, known and unknown, of every kind and nature whatsoever in law or equity, which Executive had, now has, or may have against the Released Parties relating in any way to Executive's employment with the Company or termination thereof prior to and including the date of execution of this Waiver and Release, including but not limited to, all claims for contract damages, tort damages, special, general, direct, punitive and consequential damages, compensatory damages, loss of profits, attorney fees and any and all other damages of any kind or nature; all contracts, oral or written, between Executive and any of the Released Parties; any business enterprise or proposed enterprise contemplated by any of the Released Parties, as well as anything done or not done prior to and including the date of execution of this Waiver and Release. Notwithstanding anything to the contrary contained in this Waiver and Release, nothing in this Waiver and Release shall be construed to release the Company from any obligations set forth in the Agreement.

Executive understands and agrees that this release and covenant not to sue shall apply to any and all claims or liabilities arising out of or relating to Executive's employment with the Company and the termination of such employment, including, but not limited to: claims of discrimination based on age, race, color, sex (including sexual harassment), religion, national origin, marital status, parental status, veteran status, union activities, disability or any other grounds under applicable federal, state or local law prior to and including the date of execution of this Waiver and Release, including, but not limited to, claims arising under the Age Discrimination in Employment Act of 1967, the Americans with Disabilities Act, the Family and Medical Leave Act, Title VII of the Civil Rights Act, the Civil Rights Act of 1991, 42 U.S.C. § 1981, the Genetic Information Non-Discrimination Act of 2008, the Employee Retirement

Income Security Act of 1974, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Rehabilitation Act of 1973, the Equal Pay Act of 1963 (EPA), all as amended, as well as any claims prior to and including the date of execution of this Waiver and Release, regarding wages; benefits; vacation; sick leave; business expense reimbursements; wrongful termination; breach of the covenant of good faith and fair dealing; intentional or negligent infliction of emotional distress; retaliation; outrage; defamation; invasion of privacy; breach of contract; fraud or negligent misrepresentation; harassment; breach of duty; negligence; discrimination; claims under any employment, contract or tort laws; claims arising under any other federal law, state law, municipal law, local law, or common law; any claims arising out of any employment contract, policy or procedure; and any other claims related to or arising out of his employment or the separation of his employment with the Company prior to and including the date of execution of this Waiver and Release.

In addition, Executive agrees not to cause or encourage any legal proceeding to be maintained or instituted against any of the Released Parties, save and except proceedings to enforce the terms of the Agreement or claims of Executive not released by and in this Waiver and Release.

This release does not apply to any claims for unemployment compensation or any other claims or rights which, by law, cannot be waived, including the right to file an administrative charge or participate in an administrative investigation or proceeding; provided, however that Executive disclaims and waives any right to share or participate in any monetary award from the Company resulting from the prosecution of such charge or investigation or proceeding. Notwithstanding the foregoing or any other provision in this Waiver and Release or the Agreement to the contrary, the Company and Executive further agree that nothing in this Waiver and Release or the Agreement (i) limits Executive's ability to file a charge or complaint with the EEOC, the NLRB, OSHA, the SEC or any other federal, state or local governmental agency or commission (each a "***Government Agency***" and collectively "***Government Agencies***"); (ii) limits Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information and reporting possible violations of law or regulation or other disclosures protected under the whistleblower provisions of applicable law or regulation, without notice to the Company; or (iii) limits Executive's right to receive an award for information provided to any Government Agencies.

Executive expressly acknowledges that he is voluntarily, irrevocably and unconditionally releasing and forever discharging the Company and the other Released Parties from all rights or claims he has or may have against the Released Parties including, but not limited to, without limitation, all charges, claims of money, demands, rights, and causes of action arising under the Age Discrimination in Employment Act of 1967, as amended ("***ADEA***"), up to and including the date Executive signs this Waiver and Release including, but not limited to, all claims of age discrimination in employment and all claims of retaliation in violation of ADEA. Executive further acknowledges that the consideration given for this waiver of claims under the ADEA is in addition to anything of value to which he was already entitled in the absence of this waiver. Executive further acknowledges: (a) that he has been informed by this writing that he should

consult with an attorney prior to executing this Waiver and Release; (b) that he has carefully read and fully understands all of the provisions of this Waiver and Release; (c) he is, through this Waiver and Release, releasing the Company and the other Released Parties from any and all claims he may have against any of them; (d) he understands and agrees that this waiver and release does not apply to any claims that may arise under the ADEA after the date he executes this Waiver and Release; (e) he has at least [twenty-one (21)] [forty-five (45)] days within which to consider this Waiver and Release; and (f) he has seven (7) days following his execution of this Waiver and Release to revoke the Waiver and Release; and (g) this Waiver and Release shall not be effective until the revocation period has expired and Executive has signed and has not revoked the Waiver and Release.

Executive acknowledges and agrees that: (a) he has had reasonable and sufficient time to read and review this Waiver and Release and that he has, in fact, read and reviewed this Waiver and Release; (b) that he has the right to consult with legal counsel regarding this Waiver and Release and is encouraged to consult with legal counsel with regard to this Waiver and Release; (c) that he has had (or has had the opportunity to take) [twenty-one (21)] [forty-five (45)] calendar days to discuss the Waiver and Release with a lawyer of his choice before signing it and, if he signs before the end of that period, he does so of his own free will and with the full knowledge that he could have taken the full period; (d) that he is entering into this Waiver and Release freely and voluntarily and not as a result of any coercion, duress or undue influence; (e) that he is not relying upon any oral representations made to him regarding the subject matter of this Waiver and Release; (f) that by this Waiver and Release he is receiving consideration in addition to that which he was already entitled; and (g) that he has received all information he requires from the Company in order to make a knowing and voluntary release and waiver of all claims against the Company and the other Released Parties.

Executive acknowledges and agrees that he has seven (7) days after the date he signs this Waiver and Release in which to rescind or revoke this Waiver and Release by providing notice in writing to the Company. Executive further understands that the Waiver and Release will have no force and effect until the end of that seventh day (the "Waiver Effective Date"). If Executive revokes the Waiver and Release, the Company will not be obligated to pay or provide Executive with the benefits described in this Waiver and Release, and this Waiver and Release shall be deemed null and void.

AGREED TO AND ACCEPTED this

_____ day of _____, 20__.

_____

[Name]

Exhibit 10.4

CHANGE IN CONTROL SEVERANCE COMPENSATION AGREEMENT

THE AGREEMENT was made and entered into as of April 16, 2021, (the "***Effective Date***"), by and between Callon Petroleum Company, a Delaware corporation (the "***Company***", and together with its subsidiaries, "***Callon***") and Joseph C. Gatto, Jr. ("***Executive***"). Callon and Executive may be referred to individually herein as "***Party***" and collectively as "***Parties***".

WITNESSETH:

WHEREAS, Callon desires to assure fair treatment of its key executives in the event of a Change in Control or Merger of Equals (as such terms are defined below) and to allow them to make critical career decisions without undue time pressure and financial uncertainty, thereby increasing their willingness to remain with Callon notwithstanding the outcome of a possible Change in Control or Merger of Equals transaction; and

WHEREAS, the Board of Directors of the Company (the "***Board***") believes it is essential to provide the Executive with compensation arrangements upon a Change in Control or Merger of Equals which provide the Executive with individual financial security and which are competitive with those of other similar corporations, and in order to accomplish these objectives, the Board has caused Callon to enter into this Agreement;

NOW, THEREFORE, in consideration of the mutual premises and conditions contained herein, the parties hereto agree as follows:

Article 1. Definitions

For purposes of this agreement, the terms set forth below shall have the following respective meanings:

"***Affiliate***" has the same meaning ascribed to such term in Rule 12b-2 under the Exchange Act.

"***Change in Control***" means the occurrence of one or more of the following:

(a) The acquisition (other than directly from the Company) by any Person (other than an Exempt Person) of beneficial ownership of 30% or more of the total fair market value or total voting power of the Company's Voting Stock, provided that if any Person owns 30% or more of the total voting power of the Company's Voting Stock, the acquisition of additional control of the Company by the same Person is not considered to cause a Change in Control;

(b) Individuals who, as of the Effective Date, constitute the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the Board; provided, however that any individual becoming a director subsequent to such date whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of

the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation of a reorganization, merger or consolidation, or sale or other disposition of all or substantially all of the assets (which, for this purpose, shall be deemed to be 40% or more of the total gross fair market value of the Company's assets) of the Company (a "***Business Combination***"), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Company's Voting Stock immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding Voting Stock of the parent entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Company's Voting Stock, (ii) no Person (excluding any Exempt Person) beneficially owns, directly or indirectly, 30% or more of the total fair market value or total voting power of the then outstanding Voting Stock of the parent entity resulting from such Business Combination and (iii) at least a majority of the members of the board of directors (or equivalent governing body) of the parent entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended from time to time.

"***Exempt Person***" means any of (1) the Company or any of its Subsidiaries, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (3) an underwriter temporarily holding stock pursuant to an offering of such stock, or (4) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of the Company's stock.

"***Merger of Equals***" means the consummation of a Business Combination unless, (i) such Business Combination is a Change in Control or (ii) following such Business Combination, all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the outstanding Voting Stock of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, 60% or more of, respectively, the then outstanding Voting Stock of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more

subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Voting Stock.

"***Person***" shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d) thereof.

"***Subsidiary***" means (i) in the case of a corporation, any corporation of which the Company directly or indirectly owns shares representing more than 50% of the combined voting power of the shares of all classes or series of capital stock of such corporation which have the right to vote generally on matters submitted to a vote of the stockholders of such corporation and (ii) in the case of a partnership or other business entity not organized as a corporation, any such business entity of which the Company directly or indirectly owns more than 50% of the voting, capital or profits interests (whether in the form of partnership interests, membership interests or otherwise).

"***Voting Stock***" shall mean stock of any class or kind having the power to vote generally for the election of directors (or members of a comparable governing body).

Article 2. Term

This Agreement shall terminate, except to the extent that any obligation of Callon hereunder remains unpaid as of such time and Executive's ongoing obligations pursuant to Article 7, upon the earliest of:

(a) December 31, 2021; provided, however, that, commencing on December 31, 2021, and on each anniversary date thereafter (each such date, an "***Anniversary Date***"), the expiration date under this clause (a) shall automatically be extended for one additional year unless either party shall have given thirty (30) day written notice prior to such Anniversary Date that it does not wish to extend this Agreement; provided, however, that if the Agreement has not terminated prior to the date the Company enters into a definitive agreement that will result in a Change in Control or Merger of Equals or the date a Change in Control or Merger of Equals occurs, the expiration date under this clause shall not occur earlier than the second anniversary of the effective date of the Change in Control or Merger of Equals, as applicable, or the date the agreement to effectuate such Change in Control or Merger of Equals, as applicable, is terminated, as applicable;

(b) The termination of the Executive's employment with Callon based on death, Disability (as defined in Section 4.1), or Cause (as defined in Section 4.2);

(c) The voluntary resignation of the Executive for any reason other than Good Reason (as defined in Section 4.3); and

(d) Any termination of Executive's employment prior to a Change in Control or Merger of Equals, except as expressly provided in Article 3.

Article 3. Deemed Eligible Termination

Except as provided herein, no benefits shall be payable hereunder unless (i) there shall have been a Change in Control, and Executive's employment by Callon shall thereafter have been terminated within two (2) years after the date of such Change in Control or (ii) there shall have been a Merger of Equals, and Executive's employment by Callon shall thereafter have been terminated within six (6) months after the date of such Merger of Equals, in each case, in accordance with Article 4.

If the Executive's employment with Callon is terminated by Callon for reasons other than Cause or Disability in accordance with the provisions of Article 4 within the six (6) month period prior to the date on which a Change in Control is effective, and it is reasonably demonstrated that such termination: (i) was at the request of a third party who has taken steps reasonably calculated to effectuate such Change in Control or (ii) otherwise arose in connection with such Change in Control, then for all purposes hereof, such termination shall be deemed to have occurred following such Change in Control (for purposes of this Agreement, a "***Deemed Eligible Termination***").

Notwithstanding the foregoing provisions of Article 3, with respect to any payment hereunder that (i) is subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***") and (ii) a Change in Control would accelerate the timing of such payment, the term "Change in Control" shall mean a change in the ownership or effective control of Callon, or in the ownership of a substantial portion of the assets of Callon as defined under Code Section 409A, but only to the extent inconsistent with the above definitions and to the minimum extent necessary to comply with Section 409A, as determined by Callon.

Article 4. Termination of Employment Following a Change in Control or Merger of Equals

If (i) a Change in Control shall have occurred and Executive's employment is subsequently terminated within two (2) years following the date of such Change in Control, (a) by Callon other than for Cause (as defined in Section 4.2) or Disability (as defined in Section 4.1) or (b) by Executive for Good Reason (as defined in Section 4.3), or (ii) a Merger of Equals shall have occurred and Executive's employment is subsequently terminated by Callon other than for Cause (as defined in Section 4.2) within six (6) months following the date of such Merger of Equals, Executive shall be entitled to the benefits provided in Articles 6 and 7, subject to the additional requirements set forth therein. For the avoidance of doubt, no benefits will be payable hereunder on a termination of Executive's employment due to Disability or death, due to termination by Callon for Cause, or due to Executive's voluntary termination of employment without Good Reason.

4.1 Disability. If, upon the Disability (as defined below) of Executive, and within thirty (30) days after written Notice of Termination (as defined in Section 4.4) is given, Executive has not returned to the full-time performance of his employment duties, Callon may terminate Executive's employment for Disability. For purposes of this Agreement, "***Disability***" is defined as the physical or mental inability of Executive to carry out the normal and usual duties

of his employment on a full-time basis for an entire period of six (6) continuous months, together with the reasonable likelihood, as determined by the Board upon the advice of a physician selected or approved by the Board, that Executive will be unable to carry out the normal and usual duties of his employment on a full-time basis for the next following continuous period of six (6) months.

4.2 Cause. For purposes hereof, "***Cause***" is defined as: (i) the conviction of the Executive by a court of competent jurisdiction as to which no further appeal can be taken of a crime involving moral turpitude or a felony or entering the plea of nolo contendere to such crime by the Executive; (ii) the commission by the Executive of a material act of fraud upon Callon; (iii) the material misappropriation by the Executive of any funds or other property of Callon; (iv) the knowing engagement by the Executive without the written approval of the Board, in any material activity which directly competes with the business of Callon, or which would directly result in material injury to the business or reputation of Callon; (v)(1) a material breach by the Executive during the Executive's employment with Callon of any of the restrictive covenants set out in the Executive's employment agreement with the Company, if applicable, or (2) the willful and material nonperformance of the Executive's duties to Callon (other than by reason of the Executive's illness or incapacity), and, for purposes of this clause (v), no act or failure to act on Executive's part shall be deemed "willful" unless it is done or omitted by the Executive not in good faith and without his reasonable belief that such action or omission was in the best interest of Callon, (vi) any breach of the Executive's fiduciary duties to Callon, including, without limitation, the duties of care, loyalty and obedience to the law; and (vii) the intentional failure of the Executive to comply with Callon's Code of Business Conduct and Ethics, or to otherwise discharge his duties in good faith and in a manner that the Executive reasonably believes to be in the best interests of Callon, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

4.3 Good Reason. Subject to Section 4.4, Executive may terminate his employment for Good Reason. For purposes of this Agreement, "***Good Reason***" shall mean any of the following:

(a) Following a Change in Control, a material diminution in the scope, nature or status of Executive's responsibilities;

(b) Following a Change in Control, (1) a reduction in Executive's base salary as in effect on the date of a Change in Control or as the same may be increased from time to time thereafter, or (2) a failure by Callon to continue to provide Executive with compensation and benefits that do not represent a material reduction, either in amount of compensation opportunity and benefits provided or the level of the Executive's participation relative to other participants, in the compensation and benefits provided immediately prior to the Change in Control;

(c) Following a Change in Control, Executive's relocation by Callon to a location in excess of 50 miles from the location where Executive was based immediately prior to the Change in Control, except for a relocation consented to by Executive, if all reasonable costs of relocation, including moving expenses, costs of selling a

principal residence (and, if requested by Executive, the purchase of such principal residence at its then-appraised value as appraised by a qualified and licensed appraiser selected by Executive) are paid or provided for by Callon;

(d) Following a Change in Control, the failure by Callon to continue in effect any compensation plan in which Executive participates unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to such plan in connection with a Change in Control, or the failure of Callon to continue Executive's participation therein or the taking of any action by Callon which would materially and adversely affect Executive's participation in any such plan or reduce Executive's benefits thereunder;

(e) Following a Change in Control, the failure by Callon to continue to provide Executive with benefits not less, in the aggregate, than those enjoyed under any of Callon's pension, life insurance, medical, health, and accident, or disability plans in which Executive was participating at the time of a Change in Control or the taking of any action by Callon which would directly or indirectly materially reduce any such benefits;

(f) Following a Change in Control, the failure of Callon to obtain a satisfactory agreement from any successor or parent thereof to assume and agree to perform this Agreement pursuant to Article 8; or

(g) Following a Change in Control, any purported termination of Executive's employment with Callon which is not effected pursuant to a Notice of Termination satisfying the requirements of Section 4.4 (and for purposes of this Agreement, no such purported termination shall be effective).

Notwithstanding the foregoing definition of "Good Reason", the Executive cannot terminate his employment hereunder for Good Reason unless the Executive (1) first notifies the Board in writing of the event (or events) which the Executive believes constitutes a Good Reason event under clauses (a) through (g) (above) within sixty (60) calendar days from the date of such event, and (2) provides Callon with at least thirty (30) calendar days to cure, correct or mitigate the Good Reason event so that it either (A) does not constitute a Good Reason event hereunder or (B) the Executive specifically agrees, in writing, that after any such modification or accommodation made by Callon, such event does not constitute a Good Reason event hereunder.

The Executive's mental or physical incapacity following the occurrence of any of the circumstances described in clauses (a) through (g) (above) shall not affect the Executive's ability to terminate employment for Good Reason, and the Executive's death following delivery of a Notice of Termination for Good Reason shall not affect his designated beneficiary's entitlement to any benefits provided hereunder upon a termination of employment for Good Reason. Notwithstanding anything herein to the contrary, the Executive's resignation under this Agreement, with or without Good Reason, shall not affect the Executive's eligibility to receive benefits under any retirement or pension plan of Callon or its Affiliates.

4.4 Notice of Termination. Any termination pursuant to the foregoing provisions of this Article 4 (excluding a termination due to Executive's death) shall be communicated by written Notice of Termination to the other party hereto. For purposes hereof, a "***Notice of Termination***" shall mean a notice which shall indicate the specific termination provision herein relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated. In the event that Executive seeks to terminate his employment with Callon pursuant to Section 4.3, he must communicate his written Notice of Termination to Callon within sixty (60) days of being notified of such action or actions by Callon which constitute Good Reason for termination.

4.5 Date of Termination. The term "***Date of Termination***" shall mean: (i) if this Agreement is terminated for Disability, thirty (30) days after Notice of Termination is given (provided that Executive has not returned to the performance of his duties on a full-time basis during such thirty (30) day period); or (ii) if Executive's employment is terminated pursuant to Section 4.3, or if Executive's employment is terminated for any other reason, the date that Executive incurs a "separation from service" (as such term is defined in final Treasury Regulations issued under Code Section 409A and any other authoritative guidance issued thereunder), as determined by Callon.

4.6 Reimbursement of Expenses. To the extent this Agreement provides for the reimbursement of expenses which are not specifically excluded from Code Section 409A, (i) the amount of expenses eligible for reimbursement during the Executive's taxable year shall not affect the expenses eligible for reimbursement in any other taxable year and (ii) the reimbursement shall be made not later than by December 31st of the year following the calendar year in which such expense was incurred by the Executive.

Article 5. Compensation Upon Termination

5.1 Certain Terminations following a Change in Control or Merger of Equals. If a Change in Control or Merger of Equals shall have occurred and Executive's employment is subsequently terminated under circumstances described in the first paragraph of Article 4, or if Executive incurs a Deemed Eligible Termination, Executive shall be entitled to the following benefits, provided that within fifty (50) days following the Date of Termination Executive signs, and does not timely revoke, a general release in substantially the form set forth on Exhibit A, and Executive affirmatively agrees not to violate the provisions of Article 7:

(a) Callon shall pay to the Executive in a lump sum, in cash, on the date which is six (6) months following his Date of Termination, an amount equal to (i) three (3) times the sum of: (A) the Executive's annual base salary as in effect immediately prior to the Change in Control or Merger of Equals, as applicable, or, if higher, in effect immediately prior to the Date of Termination, (B) the greatest of: (1) the average annual bonus (under all Callon annual bonus plans for which the Executive is eligible) earned with respect to the three (3) most recently completed full fiscal years, (2) the target annual bonus (under all Callon annual bonus plans for which the Executive is eligible) for the fiscal year in which the Change in Control or Merger of Equals, as applicable, occurs or (3) the target annual bonus

(under all Callon annual bonus plans for which the Executive is eligible) for the fiscal year in which the Date of Termination occurs, plus (ii) the greater of (A) the target annual bonus (under all Callon annual bonus plans for which the Executive is eligible) for the fiscal year in which the Change in Control or Merger of Equals, as applicable, occurs or (B) the target annual bonus (under all Callon annual bonus plans for which the Executive is eligible) for the fiscal year in which the Date of Termination occurs, in each case, multiplied by a fraction (x) the numerator of which is the number of days in the period beginning on January 1 of the fiscal year in which the Date of Termination occurs and ending on the Date of Termination and (y) the denominator of which is 365.

(b) Callon shall, at its expense, maintain in full force and effect for Executive's continued benefit until twenty-four (24) months after the Date of Termination all medical, dental, and vision insurance coverage to which Executive was entitled immediately prior to the Notice of Termination. The continued coverage under this Section 5.1(b) shall be provided in a manner that is intended to satisfy an exception to Section 409A of the Code, and therefore not treated as an arrangement providing for nonqualified deferred compensation that is subject to taxation under Code Section 409A, including (i) providing such benefits on a nontaxable basis to Executive, (ii) providing for the reimbursement of medical expenses incurred during the time period during which Executive would be entitled to continuation coverage under a group health plan of Callon pursuant to Section 4980B of the Code (i.e., COBRA continuation coverage), (iii) providing that such benefits constitute the reimbursement or provision of in-kind benefits payable at a specified time or pursuant to a fixed schedule as permitted under Code Section 409A and the authoritative guidance thereunder, or (4) such other manner as determined by Callon in compliance with an exception from being treated as nonqualified deferred compensation subject to Code Section 409A. Further, the continued coverage under this Section 5.1(b) shall be provided as alternative coverage to continuation coverage under Section 4980B of the Code ("COBRA") and if Executive accepts such continued coverage under this Section 5.1(b), he or she will be deemed to have declined COBRA continuation coverage. In the event of a Deemed Eligible Termination, (i) the Executive will be entitled to a make-up payment (paid on the date the Executive's severance payment is made pursuant to Section 5.1(a)) in an amount equal to the value of the coverage that would have been provided from the Date of Termination until the date of the Change in Control or Merger of Equals, as applicable, had Executive been treated as eligible for benefits pursuant to Section 5.1(b) as of the Date of Termination, and (ii) Executive's benefits pursuant to this Section 5.1(b) will begin as of the date of the Change in Control or Merger of Equals, as applicable.

(c) Callon's obligation to pay severance amounts due to the Executive pursuant to this Section 5.1, to the extent not already paid, shall cease immediately and such payments will be forfeited if the Executive violates any of the covenants or conditions described in Sections 7.1, 7.2 or 7.3 after the Date of Termination.

5.2 Limitation on Payments.

(a) *Definitions*. For purposes of this Section 5.2, the following capitalized terms have the meanings ascribed to them, below.

"***Excise Tax***" means the excise tax imposed by Section 4999 of the Code with respect to the Total Payments together with any interest or penalties with respect to such excise tax.

"***Incentive Award***" means a stock option, stock appreciation right, restricted stock award, restricted stock unit award, or other equity-type award under any plan or agreement in which Executive has, or will (by the passage of time or based on Executive's performance) have, an interest in the capital stock of Callon or an Affiliate, or a right to obtain capital stock or an interest in capital stock of Callon or an Affiliate as well as any cash retention, performance, or incentive award, other than annual bonuses under any Callon bonus plan.

"***Net After-Tax Benefit***" means (i) the Total Payments less (ii) the amount of all United States federal, state and local income and employment taxes payable with respect to the Total Payments (calculated at the maximum applicable marginal income tax rate for Executive under the Code), and less (iii) the amount of the Excise Tax imposed (based upon the rate for such year as set forth in the Code at the time of the first payment of the foregoing).

"***Total Payments***" means the total payments or other benefits that Executive becomes entitled to receive from Callon or an Affiliate in connection with a Change in Control or Merger of Equals that would constitute a "parachute payment" (within the meaning of Section 280G of the Code), whether payable pursuant to the terms of this Agreement or any other plan, arrangement, or agreement with Callon or an Affiliate.

(b) *Maximum Net After-Tax Benefit*. The Total Payments shall be reduced to the minimum extent necessary so that no portion of the Total Payments shall be subject to the Excise Tax, but only if, by reason of such reduction, the Net After-Tax Benefit received by Executive as a result of such reduction will exceed the Net After-Tax Benefit that would have been received by Executive if no such reduction was made. It is thus the objective of this Agreement to maximize Executive's Net After-Tax Benefit if any payments or benefits provided hereunder are subject to the Excise Tax.

In the event it is determined that the Total Payments to or for the benefit of Executive, whether paid or payable or distributed or distributable or otherwise, including, by example and not by way of limitation, acceleration of the date of vesting or payment or rate of payment under any plan, program or arrangement of Callon, would be subject to the Excise Tax, Callon shall first make a calculation under which such payments or benefits provided to Executive under this Agreement are reduced, to the minimum extent necessary, so that no portion thereof shall be subject to the Excise Tax (the "***Section 4999 Limit***"). Callon shall then compare (i) Executive's Net After-Tax Benefit assuming application of the Section 4999 Limit with (ii) Executive's Net After-Tax Benefit without the application of the Section 4999 Limit. In the event (i) is greater than (ii), Executive shall receive Total Payments solely up to the 4999 Limit. In the event (ii) is

greater than (i), Executive shall be entitled to receive all such Total Payments, and shall be solely liable for any and all Excise Tax related thereto.

All determinations required to be made under this Section 5.2, including whether an Excise Tax may apply to the Total Payments, will be made by the independent accounting firm which served as Callon's auditor immediately prior to the Change in Control or Merger of Equals, as applicable (the "***Accounting Firm***"). All fees and expenses of the Accounting Firm shall be borne solely by Callon and it shall be Callon's obligation to cause the Accounting Firm to take any actions required hereby.

Callon will direct the Accounting Firm to submit detailed supporting calculations both to Callon and the Executive within fifteen (15) business days after the Date of Termination, if applicable, or such earlier time as is requested by Callon. If applicable, Executive and Callon shall each provide the Accounting Firm with access to, and copies of, any books, records and documents in their respective possessions, as reasonably requested by the Accounting Firm, and otherwise reasonably cooperate with the Accounting Firm in connection with the preparation and issuance of the determinations and calculations contemplated by this Section 5.2.

If the Accounting Firm determines that a reduction in payments is required under this Section 5.2, Callon shall (to the extent feasible) reduce the Total Payments in the following order: (i) reduction of any cash severance payments otherwise payable to Executive that are exempt from Section 409A of the Code; (ii) reduction of any other cash payments or benefits otherwise payable to Executive that are exempt from Section 409A of the Code, but excluding any payments attributable to any acceleration of vesting or payments with respect to any Incentive Award that are exempt from Section 409A of the Code; (iii) reduction of any other payments or benefits otherwise payable to Executive on a pro rata basis or in such other manner that complies with Section 409A of the Code, but excluding any payments attributable to any acceleration of vesting and payments with respect to any Incentive Award that are exempt from Section 409A of the Code; and (iv) reduction of any payments attributable to any acceleration of vesting or payments with respect to any Incentive Award that are exempt from Section 409A of the Code, in each case beginning with payments that would otherwise be made last in time.

If the Accounting Firm determines that no Excise Tax is payable by Executive, it shall furnish Executive with an opinion that he has substantial authority not to report any Excise Tax on his federal income tax return.

5.3 No Mitigation or Set-off of Amounts Payable Hereunder. Executive shall not be required to mitigate the amount of any payment provided for in this Article 5 by seeking other employment or otherwise, nor shall the amount of any payment provided for in this Article 5 be reduced by any compensation earned by Executive as the result of employment by another employer after the Date of Termination, or otherwise. Callon's obligations hereunder also shall not be affected by any set-off, counterclaim, recoupment, defense, or other claim, right or action which Callon may have against Executive.

Article 6. Stock Options and Other Plans

6.1 Acceleration of Benefits. If Executive is eligible for severance payments pursuant to Section 5.1, including having signed and not timely revoked a general release in substantially the form set forth on Exhibit A, the following shall automatically occur effective as of the sixtieth (60^{th}) day following the Date of Termination, subject to delayed payment as may be required pursuant to Article 15:

(a) Notwithstanding any provision to the contrary in any applicable plan or agreement between Executive and Callon, all outstanding Incentive Awards then held by or for the benefit of Executive shall immediately become one hundred percent (100%) vested and, if applicable, exercisable, with any performance-based Incentive Awards earned at the level specified for a Change in Control event in the applicable award agreement, with the date of such Change in Control event for purposes of determining the applicable performance level being the date of the Change in Control or Merger of Equals, as applicable, or, if not specified, at the target level; provided, however, that such Incentive Awards shall not be accelerated if it would be an impermissible acceleration under Section 409A of the Code, but will be paid at the earliest permissible payment event consistent with the terms of the award and the requirements of Section 409A of the Code.

(b) Notwithstanding any provision to the contrary in any stock option agreement between Executive and Callon, Executive's right to exercise any previously unexercised and outstanding option under any stock option agreement shall not terminate until the latest date on which such option would expire under the terms of such agreement but for Executive's termination of employment.

(c) In the event Executive incurs a Deemed Eligible Termination and Incentive Awards that would have been accelerated or exercisability extended pursuant to this Article 6 have been forfeited as a result of Executive's earlier termination of employment, then Executive shall be entitled to a cash payment equal to (i) the value of any forfeited Incentive Award, determined, if applicable, based on the cash or market value of the number of securities that would have been delivered to Executive pursuant to such Incentive Award, in each case assuming the Incentive Awards were vested and delivered (and, if applicable, exercised) as of the date Executive's severance payments are made pursuant to this Agreement (or, with respect to any option, the last day of the original option term, if earlier), with any performance-based Incentive Awards vesting at the level specified in Section 6.1(a), reduced by (ii) the amount of any payment previously made in connection with the vesting or exercise of such Incentive Award.

Article 7. Noncompetition, Nonsolicitation, Nondisclosure of Trade Secrets, Nonpublic Information, and Ownership

7.1 Noncompetition. The Executive agrees that, if he becomes eligible for severance payments pursuant to Section 5.1, for a period of one year after the Date of Termination, he will

not, directly or indirectly, compete with Callon by providing services to any other person, partnership, association, corporation, or other entity that is an "Oil and Gas Business" in any geographic location where Callon operated as of the Date of Termination. As used herein, an "***Oil and Gas Business***" means owning, managing, acquiring, attempting to acquire, soliciting the acquisition of, operating, controlling, or developing Oil and Gas interests, or engaging in or being connected with, as a principal, owner, officer, director, employee, shareholder, promoter, consultant, contractor, partner, member, joint venture, agent, equity owner or in any other capacity whatsoever, any of the foregoing activities of the oil and gas exploration and production business. The parties agree that the above restrictions on competition are completely severable and independent agreements supported by good and valuable consideration and, as such, shall survive the termination of this Agreement for whatever reason. The parties further agree that any invalidity or unenforceability of any one or more of such restrictions on competition shall not render invalid or unenforceable any remaining restrictions on competition. Additionally, should a court of competent jurisdiction determine that the scope of any provision of this Section 7.1 is too broad to be enforced as written, the parties intend that the court reform the provision to such narrower scope as it determines to be reasonable and enforceable.

7.2 Nonsolicitation. If the Executive becomes eligible for severance payments pursuant to Section 5.1, for a period of three (3) years after the Date of Termination, the Executive shall not, on his own behalf or on behalf of any other person, partnership, association, corporation, or other entity: (a) directly, indirectly, or through a third party hire or cause to be hired; (b) directly, indirectly, or through a third party solicit; or (c) in any manner attempt to influence or induce any employee of Callon to leave the employment of Callon, nor shall he use or disclose to any person, partnership, association, corporation, or other entity any information obtained concerning the names and addresses Callon's employees. The parties agree that the above restrictions on hiring and solicitation are completely severable and independent agreements supported by good and valuable consideration and, as such, shall survive the termination of this Agreement for whatever reason. The parties further agree that any invalidity or unenforceability of any one or more such restrictions on hiring and solicitation shall not render invalid or unenforceable any remaining restrictions on hiring and solicitation. Additionally, should a court of competent jurisdiction determine that the scope of any provision of this Section 7.2 is too broad to be enforced as written, the parties intend that the court reform the provision to such narrower scope as it determines to be reasonable and enforceable.

7.3 Nondisclosure of Trade Secrets. Callon promises to disclose to the Executive and the Executive acknowledges that in, and as a result of, his employment by Callon, he will receive, make use of, acquire, have access to and/or become familiar with, various trade secrets and proprietary and confidential information of Callon, including, but not limited to, processes, computer programs, compilations of information, records, financial information, sales reports, sales procedures, customer requirements, pricing techniques, customer lists, method of doing business, identities, locations, performance and compensation levels of employees, and other confidential information (individually and collectively, "***Trade Secrets***") which are owned by Callon and used in the operation of its business, and as to which Callon takes precautions to prevent dissemination to persons other than certain directors, officers, and employees. The Executive acknowledges and agrees that the Trade Secrets:

(a) Are secret and not known in the industry;

(b) Give Callon an advantage over competitors who do not know or use the Trade Secrets;

(c) Are of such value and nature as to make it reasonable and necessary to protect and preserve the confidentiality and secrecy of the Trade Secrets; and

(d) Are valuable, special, and unique assets of Callon, the disclosure of which could cause substantial injury and loss of profits and goodwill to Callon.

The Executive promises not to use in any way or disclose any of the Trade Secrets and confidential and proprietary information, directly or indirectly, either during or after the term of his employment, except as required in the course of his employment with Callon, if required in connection with a judicial or administrative proceeding, or if the information becomes public knowledge other than as a result of an unauthorized disclosure by the Executive. All files, records, documents, information, data, and similar items relating to the business of Callon, whether prepared by the Executive or otherwise coming into his possession, will remain the exclusive property of Callon and may not be removed from the premises of Callon under any circumstances without the prior written consent of Callon (except in the ordinary course of business during the Executive's period of active employment under this Agreement), and in any event must be promptly delivered to Callon upon termination of the Executive's employment with Callon. The Executive agrees that upon his receipt of any subpoena, process, or other requests to produce or divulge, directly or indirectly, any Trade Secrets to any entity, agency, tribunal, or person, whether received during or after the term of the Executive's employment with Callon, the Executive shall timely notify and promptly deliver a copy of the subpoena, process, or other request to Callon. For this purpose, the Executive irrevocably nominates and appoints Callon (including any attorney retained by Callon), as his true and lawful attorney-in-fact, to act in the Executive's name, place, and stead to perform any act that the Executive might perform to defend and protect against any disclosure of any Trade Secrets.

The parties agree that the above restrictions on confidentiality and disclosure are completely severable and independent agreements supported by good and valuable consideration and, as such, shall survive the termination of this Agreement for whatever reason. The parties further agree that any invalidity or unenforceability of any one or more of such restrictions on confidentiality and disclosure shall not render invalid or unenforceable any remaining restrictions on confidentiality and disclosure. Additionally, should a court of competent jurisdiction determine that the scope of any provision of this Section 7.3 is too broad to be enforced as written, the parties intend that the court reform the provision to such narrower scope as it determines to be reasonable and enforceable.

7.4 Ownership. The Executive agrees that all inventions, copyrightable material, business and/or technical information, marketing plans, customer lists, and trade secrets which arise out of the performance of this Agreement are the property of Callon.

7.5 No Disparaging Comments. Executive and Callon shall refrain from any criticisms or disparaging comments about each other or in any way relating to Executive's employment or separation from employment with Callon; provided, however, that nothing in this Agreement shall apply to or restrict in any way the communication of information to any governmental law enforcement agency by either party that is required by compulsion of law. A violation or threatened violation of this prohibition may be enjoined by a court of competent jurisdiction. The rights under this provision are in addition to any and all rights and remedies otherwise afforded by law to the parties.

Executive acknowledges that in executing this Agreement, he has knowingly, voluntarily, and intelligently waived any free speech, free association, free press or First Amendment to the United States Constitution (including, without limitation, any counterpart or similar provision or right under any other state constitution which may be deemed to apply) and rights to disclose, communicate, or publish disparaging information or comments concerning or related to Callon; provided, however, nothing in this Agreement shall be deemed to prevent Executive from testifying fully and truthfully in response to a subpoena from any court or from responding to an investigative inquiry from any governmental agency.

For all purposes of the obligations of Executive under this Section 7.5, the term "Callon" refers to the Callon Petroleum Company and its Subsidiaries and Affiliates, and its and their directors, officers, employees, shareholders, investors, partners and agents.

7.6 Protected Disclosures. Notwithstanding anything herein to the contrary, nothing in this Agreement will be construed to prohibit the Executive from reporting possible violations of law or regulation to any governmental agency or regulatory body or making other disclosures that are protected under any law or regulation, or from filing a charge with or participating in any investigation or proceeding conducted by any governmental agency or regulatory body. This Agreement does not limit the Executive's right to receive an award for information provided to any governmental agency or regulatory body. Further, in accordance with the Defend Trade Secrets Act, the Executive may not be held criminally or civilly liable under any Federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a Federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

7.7 Subsidiaries and Affiliates Included. Except where otherwise expressly provided, for all purposes of the obligations of Executive under this Article 7, the term "Callon" refers to the Callon Petroleum Company and its Subsidiaries and Affiliates.

Article 8. Successors; Binding Agreement

8.1 Successors of Callon. Callon will require any successor (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all of the business and/or assets of Callon, by agreement in form and substance satisfactory to Executive, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that Callon would be required to perform it if no such succession had taken place. Failure

of Callon to obtain such agreement prior to the effectiveness of any such succession shall be a breach hereof and shall entitle Executive to compensation from Callon in the same amount and on the same terms as Executive would be entitled hereunder if Executive terminated his employment for Good Reason, the date on which any such succession becomes effective shall be deemed the Date of Termination; provided however, that such compensation shall be paid to Executive only if such successor is a considered to be a successor to Callon by reason of a Change in Control. As used herein, "***Callon Petroleum Company***" shall mean Callon as hereinbefore defined and any successor to its business and/or assets as aforesaid which executes and delivers the agreement provided for in this Section 8.1, or which otherwise becomes bound by all the terms and provisions hereof by operation of law. Wherever appropriate to the intention of the parties, the respective rights and obligations of the parties hereunder shall survive any termination or expiration of this Agreement.

8.2 Executive's Heirs, Etc. This Agreement shall inure to the benefit of and be enforceable by Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees, and legatees. If Executive should die while any amounts would still be payable to him hereunder as if he had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms hereof to his designee or, if there be no such designee, to his estate upon prior receipt by Callon of a proper notice regarding the legal representative of such estate.

Article 9. Notice

For the purposes hereof, notices and all other communications provided for herein shall be in writing and shall be deemed to have been duly given when delivered or mailed. Each notice or other communication required or permitted under this Agreement shall be in writing and transmitted or delivered by personal delivery, prepaid courier or messenger service (whether overnight or same-day), prepaid telecopy or facsimile, or prepaid certified or registered United States mail (with return receipt requested), addressed to Callon at its principal place of business and to Executive at his address as shown on the records of Callon, provided that all notices to Callon shall be directed to the attention of the Chief Executive Officer of Callon with a copy to the Corporate Secretary of Callon, or to such other address provided in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt, or at such other address as the recipient has designated by notice to the other party.

Each notice or communication so transmitted, delivered, or sent in person, by courier or messenger service, or by certified United States mail, shall be deemed given, received, and effective on the date delivered to or refused by the intended recipient (with the return receipt, or the equivalent record of the courier or messenger, being deemed conclusive evidence of delivery or refusal.) Nevertheless, if the date of delivery is after 5:00 p.m. (local time of the recipient) on a business day, the notice or other communication shall be deemed given, received and effective on the next business day.

Article 10. Miscellaneous

10.1 Waiver and Amendment. No provisions hereof may be amended, modified, waived, or discharged unless such amendment, waiver, modification, or discharge is agreed to in writing and signed by Executive and such officer as may be specifically designated by the Board (which shall in any event include Callon's Chief Executive Officer or Chairman of the Board). No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision hereof, to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly herein.

10.2 Tax Consequences. Callon or its affiliate shall withhold from any payments or benefits under this Agreement (whether or not otherwise acknowledged under this Agreement) all federal, state, local, or other taxes that it is required to withhold.

Executive understands, acknowledges, and agrees that Company cannot, and does not, provide any tax or legal advice to Executive. Any tax-related information that has been provided, or will be provided, to Executive is solely for informational purposes and should not be relied upon by Executive. Executive acknowledges that he has reviewed with his own tax advisors the tax consequences of this Agreement and the transactions contemplated hereby. Executive is relying solely on his tax advisors and not on any statements or representations of Callon or any of its agents and understands that Executive (and not Callon) shall be responsible for Executive's own tax liability that may arise as a result of this Agreement or the transactions contemplated hereby, except as otherwise specifically provided in this Agreement.

10.3 Employment Status. Nothing in this Agreement provides the Executive with any right to continued employment with Callon or any of its affiliates, or shall interfere with the right of Callon or an affiliate to terminate the Executive's employment at any time subject to Callon's obligations under this Agreement.

10.4 No Exclusivity. Except as expressly provided herein, this Agreement shall not prevent or limit the Executive's participation in any other plan or arrangement maintained by Callon for which the Executive qualifies, nor shall it impair any rights that the Executive may have under any other plan, program, contract or agreement with Callon or any of its affiliates.

10.5 Reformation and Severability. The Parties fully intend that this Agreement comply with all applicable laws and legal requirements. Should any provision of this Agreement be declared or be determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, the Agreement shall first be reformed to make the provision at issue enforceable and effective to the full extent permitted by law. If such reformation is not possible, all remaining provisions of this Agreement shall otherwise remain in full force and effect and shall be construed as if such illegal, invalid, or unenforceable provision has not been included herein.

10.6 Entire Agreement. This Agreement sets forth the entire agreement of the Parties and fully supersedes and replaces any and all prior agreements, promises, representations, or understandings, written or oral, between Callon and Executive relating to the subject matter of this Agreement including, without limitation, the Severance Compensation Agreement between Executive and the Company effective as of _____ and as thereafter amended. This Agreement may be amended or modified only by a written instrument identified as an amendment hereto that is executed by both Executive and by the Chief Executive Officer of Callon or Chairman of the Board (or another officer who is authorized by the Board) on behalf of Callon.

10.7 Executive Acknowledgment. Executive acknowledges that (a) he is knowledgeable and sophisticated as to business matters, including the subject matter of this Agreement, (b) he has read this Agreement and understands its terms and conditions, (c) he has had ample opportunity to review and discuss this Agreement with legal counsel of his choice prior to execution should he desire to do so, and (d) no strict rules of construction will apply for or against the drafter or any other party. Executive represents that there are no restrictions on his right to enter into this Agreement.

Article 11. Validity

The invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

Article 12. Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

Article 13. Governing Law; Jurisdiction

All matters or issues relating to the interpretation, construction, validity, and enforcement of this Agreement shall be governed by the laws of the State of Texas, without giving effect to any choice-of-law principle that would cause the application of the laws of any jurisdiction other than Texas. Jurisdiction and venue of any action or proceeding relating to this Agreement or any Dispute shall be exclusively in the State of Texas (unless otherwise mutually agreed by the parties), and the parties hereby waive any objection to such jurisdiction or venue including, without limitation, to the effect that the location is inconvenient.

Article 14. Interpretative Matters

In the interpretation of the Agreement, except where the context otherwise requires:

(a) "**including**" or "**include**" does not denote or imply any limitation;

(b) "**or**" has the inclusive meaning "and/or";

(c) the singular includes the plural, and vice versa, and each gender includes each of the others;

(d) captions or headings are for reference purposes only, and they are not to be considered in interpreting the Agreement;

(e) "**Section**" refers to a Section of the Agreement, unless otherwise stated in the Agreement;

(f) "**month**" refers to a calendar month; and

(g) a reference to any statute, rule, or regulation includes (1) any amendment thereto, (2) any statute, rule, or regulation enacted or promulgated in replacement thereof, and (3) any regulation or other authority issued by the appropriate governmental entity under, or with respect to, a statute.

Article 15. Compliance with Section 409A

Any provisions of the Agreement that are subject to Section 409A of the Code ("***Section 409A***") are intended to comply with all applicable requirements of Section 409A, or an exemption from the application of Section 409A, and shall be interpreted and administered accordingly. Any ambiguous provision will be construed in a manner that is compliant with, or exempt from, the application of Section 409A. Notwithstanding any provision of this Agreement to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amount or benefit that constitutes "non-qualified deferred compensation" (within the meaning of Section 409A) upon or following a termination of the Executive's employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision, references herein to a "termination," "termination of employment" or like terms shall mean "separation from service" within the meaning of Section 409A.

Notwithstanding any provision of this Agreement to the contrary, if any payment or other benefit provided herein would be subject to additional taxes and interest under Section 409A because the timing of such payment is not delayed as required by Section 409A for a "specified employee," then if the Executive is on the applicable date a specified employee, any such payment that the Executive would otherwise be entitled to receive during the first six months following his "separation from service" (as defined under Section 409A) shall be accumulated and paid, within ten (10) days after the date that is six months following the Executive's date of "separation from service," or such earlier date upon which such amount can be paid under Section 409A without being subject to such additional taxes and interest such as, for example, upon the Executive's death.

With respect to any amounts or benefits that are subject to Section 409A, this Agreement shall in all respects be administered in accordance with Section 409A. Each payment under this Agreement shall be treated as a separate payment for purposes of Section 409A. In no event may

the Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement.

All reimbursements and in-kind benefits provided under this Agreement that constitute deferred compensation within the meaning of Section 409A shall be made or provided in accordance with the requirements of Section 409A. Within the time period permitted by Section 409A, Callon may, in consultation with the Executive, modify the Agreement in the least restrictive manner necessary and without any diminution in the value of payments or other benefits to the Executive hereunder, in order to avoid the imposition of accelerated tax, additional tax and/or penalties on the Executive under Section 409A.

[Next page is signature page]

IN WITNESS WHEREOF, the Parties hereto have executed this amended and restated Agreement on the dates set forth below, to be effective as of the Effective Date.

CALLON PETROLEUM COMPANY

By:_____
Matthew R. Bob
Chairman, Compensation Committee of the Board of Directors

EXECUTIVE

By:_____
Joseph C. Gatto, Jr.

EXHIBIT A

FORM OF WAIVER AND RELEASE

[The language in this Release may change based on legal developments and evolving best practices; this form is provided as an example of what will be included in the final Release document.]

In consideration of, and as a condition precedent to, the severance payment (the "***Severance***") described in that certain Severance Compensation Agreement (the "***Agreement***") effective as of _____, 2021 between Callon Petroleum Company, a Delaware corporation (the "***Company***"), and [_____] ("***Executive***"), which were offered to Executive in exchange for a general waiver and release of claims (this "***Waiver and Release***"). Executive having acknowledged the above-stated consideration as full compensation for and on account of any and all injuries and damages which Executive has sustained or claimed, or may be entitled to claim, Executive, for himself, and his heirs, executors, administrators, successors and assigns, does hereby release, forever discharge and promise not to sue the Company, its parents, subsidiaries, affiliates, successors and assigns, and their past and present officers, directors, partners, employees, members, managers, shareholders, agents, attorneys, accountants, insurers, heirs, administrators, executors, as well as all employee benefit plans maintained by any of the foregoing entities or individuals, and all fiduciaries and administrators of such plans, in their personal and representative capacities (collectively the "***Released Parties***") from any and all claims, liabilities, costs, expenses, judgments, attorney fees, actions, known and unknown, of every kind and nature whatsoever in law or equity, which Executive had, now has, or may have against the Released Parties relating in any way to Executive's employment with the Company or termination thereof prior to and including the date of execution of this Waiver and Release, including but not limited to, all claims for contract damages, tort damages, special, general, direct, punitive and consequential damages, compensatory damages, loss of profits, attorney fees and any and all other damages of any kind or nature; all contracts, oral or written, between Executive and any of the Released Parties; any business enterprise or proposed enterprise contemplated by any of the Released Parties, as well as anything done or not done prior to and including the date of execution of this Waiver and Release. Notwithstanding anything to the contrary contained in this Waiver and Release, nothing in this Waiver and Release shall be construed to release the Company from any obligations set forth in the Agreement.

Executive understands and agrees that this release and covenant not to sue shall apply to any and all claims or liabilities arising out of or relating to Executive's employment with the Company and the termination of such employment, including, but not limited to: claims of discrimination based on age, race, color, sex (including sexual harassment), religion, national origin, marital status, parental status, veteran status, union activities, disability or any other grounds under applicable federal, state or local law prior to and including the date of execution of this Waiver and Release, including, but not limited to, claims arising under the Age Discrimination in Employment Act of 1967, the Americans with Disabilities Act, the Family and Medical Leave Act, Title VII of the Civil Rights Act, the Civil Rights Act of 1991, 42 U.S.C. § 1981, the Genetic Information Non-Discrimination Act of 2008, the Employee Retirement

Income Security Act of 1974, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Rehabilitation Act of 1973, the Equal Pay Act of 1963 (EPA), all as amended, as well as any claims prior to and including the date of execution of this Waiver and Release, regarding wages; benefits; vacation; sick leave; business expense reimbursements; wrongful termination; breach of the covenant of good faith and fair dealing; intentional or negligent infliction of emotional distress; retaliation; outrage; defamation; invasion of privacy; breach of contract; fraud or negligent misrepresentation; harassment; breach of duty; negligence; discrimination; claims under any employment, contract or tort laws; claims arising under any other federal law, state law, municipal law, local law, or common law; any claims arising out of any employment contract, policy or procedure; and any other claims related to or arising out of his employment or the separation of his employment with the Company prior to and including the date of execution of this Waiver and Release.

In addition, Executive agrees not to cause or encourage any legal proceeding to be maintained or instituted against any of the Released Parties, save and except proceedings to enforce the terms of the Agreement or claims of Executive not released by and in this Waiver and Release.

This release does not apply to any claims for unemployment compensation or any other claims or rights which, by law, cannot be waived, including the right to file an administrative charge or participate in an administrative investigation or proceeding; provided, however that Executive disclaims and waives any right to share or participate in any monetary award from the Company resulting from the prosecution of such charge or investigation or proceeding. Notwithstanding the foregoing or any other provision in this Waiver and Release or the Agreement to the contrary, the Company and Executive further agree that nothing in this Waiver and Release or the Agreement (i) limits Executive's ability to file a charge or complaint with the EEOC, the NLRB, OSHA, the SEC or any other federal, state or local governmental agency or commission (each a "***Government Agency***" and collectively "***Government Agencies***"); (ii) limits Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information and reporting possible violations of law or regulation or other disclosures protected under the whistleblower provisions of applicable law or regulation, without notice to the Company; or (iii) limits Executive's right to receive an award for information provided to any Government Agencies.

Executive expressly acknowledges that he is voluntarily, irrevocably and unconditionally releasing and forever discharging the Company and the other Released Parties from all rights or claims he has or may have against the Released Parties including, but not limited to, without limitation, all charges, claims of money, demands, rights, and causes of action arising under the Age Discrimination in Employment Act of 1967, as amended ("***ADEA***"), up to and including the date Executive signs this Waiver and Release including, but not limited to, all claims of age discrimination in employment and all claims of retaliation in violation of ADEA. Executive further acknowledges that the consideration given for this waiver of claims under the ADEA is in addition to anything of value to which he was already entitled in the absence of this waiver. Executive further acknowledges: (a) that he has been informed by this writing that he should

consult with an attorney prior to executing this Waiver and Release; (b) that he has carefully read and fully understands all of the provisions of this Waiver and Release; (c) he is, through this Waiver and Release, releasing the Company and the other Released Parties from any and all claims he may have against any of them; (d) he understands and agrees that this waiver and release does not apply to any claims that may arise under the ADEA after the date he executes this Waiver and Release; (e) he has at least [twenty-one (21)] [forty-five (45)] days within which to consider this Waiver and Release; and (f) he has seven (7) days following his execution of this Waiver and Release to revoke the Waiver and Release; and (g) this Waiver and Release shall not be effective until the revocation period has expired and Executive has signed and has not revoked the Waiver and Release.

Executive acknowledges and agrees that: (a) he has had reasonable and sufficient time to read and review this Waiver and Release and that he has, in fact, read and reviewed this Waiver and Release; (b) that he has the right to consult with legal counsel regarding this Waiver and Release and is encouraged to consult with legal counsel with regard to this Waiver and Release; (c) that he has had (or has had the opportunity to take) [twenty-one (21)] [forty-five (45)] calendar days to discuss the Waiver and Release with a lawyer of his choice before signing it and, if he signs before the end of that period, he does so of his own free will and with the full knowledge that he could have taken the full period; (d) that he is entering into this Waiver and Release freely and voluntarily and not as a result of any coercion, duress or undue influence; (e) that he is not relying upon any oral representations made to him regarding the subject matter of this Waiver and Release; (f) that by this Waiver and Release he is receiving consideration in addition to that which he was already entitled; and (g) that he has received all information he requires from the Company in order to make a knowing and voluntary release and waiver of all claims against the Company and the other Released Parties.

Executive acknowledges and agrees that he has seven (7) days after the date he signs this Waiver and Release in which to rescind or revoke this Waiver and Release by providing notice in writing to the Company. Executive further understands that the Waiver and Release will have no force and effect until the end of that seventh day (the "Waiver Effective Date"). If Executive revokes the Waiver and Release, the Company will not be obligated to pay or provide Executive with the benefits described in this Waiver and Release, and this Waiver and Release shall be deemed null and void.

AGREED TO AND ACCEPTED this

_____ day of _____, 20__.

_____

[Name]

Exhibit 10.5

FIRST AMENDMENT TO THE
CALLON PETROLEUM COMPANY
2020 OMNIBUS INCENTIVE PLAN

WHEREAS, Callon Petroleum Company (the "Company") maintains the Callon Petroleum Company 2020 Omnibus Incentive Plan (the "Plan");

WHEREAS, pursuant to Section 12 of the Plan, the Board of Directors of the Company may amend or modify the Plan, or any portion thereof, at any time, subject to the approval of the Company's stockholders under certain circumstances; and

WHEREAS, the Board of Directors of the Company desires to amend the Plan as set forth herein.

NOW, THEREFORE, pursuant to Section 12 of the Plan, the Plan is hereby amended as set forth below, effective as of April 15, 2021.

FIRST: The definition of "Change in Control" in Section 2 is hereby amended and restated in full as follows:

'"Change in Control" means the occurrence of one or more of the following:

(a) The acquisition (other than directly from the Company) by any Person (other than an Exempt Person) of beneficial ownership of 30% or more of the total fair market value or total voting power of the Company's Voting Stock, provided that if any Person owns 30% or more of the total voting power of the Company's Voting Stock, the acquisition of additional control of the Company by the same Person is not considered to cause a Change in Control;

(b) Individuals who, as of the Effective Date, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however that any individual becoming a director subsequent to such date whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation of a reorganization, merger or consolidation, or sale or other disposition of all or substantially all of the assets (which, for this purpose, shall be deemed to be 40% or more of the total gross fair market value of the Company's assets) of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Company's Voting Stock immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the

then outstanding Voting Stock of the parent entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Company's Voting Stock, (ii) no Person (excluding any Exempt Person) beneficially owns, directly or indirectly, 30% or more of the total fair market value or total voting power of the then outstanding Voting Stock of the parent entity resulting from such Business Combination and (iii) at least a majority of the members of the board of directors (or equivalent governing body) of the parent entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination."

SECOND: A new definition of "Exempt Person" is hereby added to Section 2, as follows:

""Exempt Person" means any of (1) the Company or any of its Subsidiaries, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (3) an underwriter temporarily holding stock pursuant to an offering of such stock, or (4) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of the Company's stock."

THIRD: Except as specifically modified herein, the Plan shall continue in full force and effect in accordance with all of the terms and conditions thereof, and this Amendment has been duly ratified, approved and adopted by the Board of Directors of the Company.