

CALLON PETROLEUM CO
Form 4
June 19, 2008

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
WEATHERLY B F

2. Issuer Name and Ticker or Trading Symbol
CALLON PETROLEUM CO [CPE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
200 NORTH CANAL STREET
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
06/18/2008

Director 10% Owner
 Officer (give title below) Other (specify below)
Executive Vice President/ CFO

NATCHEZ, MS 391203212

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Stock	06/18/2008	06/18/2008	F	V	9,383	D	\$ 27.72	27,999	I	Jt. Ten. with Spouse
Common Stock	06/18/2008	06/18/2008	M	V	5,000	A	\$ 11.61	32,999	I	Jt. Ten. with Spouse
Common Stock	06/18/2008	06/18/2008	M	V	5,000	A	\$ 12.4	37,999	I	Jt. Ten. with Spouse
Common Stock	06/18/2008	06/18/2008	M	V	5,000	A	\$ 13.71	42,999	I	Jt. Ten. with

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Common Stock	06/19/2008	06/19/2008	S	V	12,000	D	\$ 27.62	30,999	I	Spouse Jt. Ten. with Spouse
Common Stock								15,000	D	
Common Stock								598	I	401(k) Account (1)
Common Stock								2,288	I	IRA Account

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)	Am or Nur of S	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Am or Nur of S
Stock Option (Right to Buy)	\$ 11.61	06/18/2008	06/18/2008	M	V 5,000	11/05/2001	05/04/2011	Common Stock	5,
Stock Option (Right to Buy)	\$ 12.4	06/18/2008	06/18/2008	M	V 5,000	11/08/2004	05/06/2014	Common Stock	5,
Stock Option (Right to Buy)	\$ 13.71	06/18/2008	06/18/2008	M	V 5,000	11/05/2005	05/05/2015	Common Stock	5,
2004 Performance Shares	\$ 13.71					05/05/2005 ⁽²⁾	07/14/2014	Common Stock	10,
2006	\$ 15.93					11/16/2007 ⁽³⁾	11/16/2010	Common	33,

Restricted Shares					Stock	
2008 Performance Stock Award	\$ 0 ⁽⁴⁾		<u>(4)</u>	<u>(4)</u>	Common Stock	15
Stock Option (Right to Buy)	\$ 10.5		01/25/2001	07/25/2010	Common Stock	15
Stock Option (Right to Buy)	\$ 6.05		11/09/2002	05/08/2012	Common Stock	5
Stock Options (Right to Buy)	\$ 5.12		11/03/2003	05/02/2013	Common Stock	5

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WEATHERLY B F 200 NORTH CANAL STREET NATCHEZ, MS 391203212	X		Executive Vice President/ CFO	

Signatures

By: Robert A. Mayfield as
Attorney-in-fact for

06/19/2008

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- The number of shares reported is calculated by dividing the total market value of the reporting person's account balance within the Callon Petroleum Company Employee Savings and Protection Plan (401(k) Plan) on the day prior to this Form 4 reporting date by the closing market price per share on that day.
- (1) Petroleum Company Employee Savings and Protection Plan (401(k) Plan) on the day prior to this Form 4 reporting date by the closing market price per share on that day.
 - (2) Performance Stock awarded July 14, 2004. These shares vest in five equal annual installments beginning on July 14, 2005.
 - (3) Restricted shares awarded November 16, 2006. Vesting will occur 25% on each anniversary date beginning on November 16, 2007.

- The number of shares awarded is conditioned based on the achievement of a specified performance target, based upon the price of Callon's stock, to be calculated on December 31, 2010. If the performance target is achieved, vesting with respect to the awarded shares will occur on 04/18/2011, the third anniversary following the award date.
- (4) Callon's stock, to be calculated on December 31, 2010. If the performance target is achieved, vesting with respect to the awarded shares will occur on 04/18/2011, the third anniversary following the award date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.