

CALLON PETROLEUM CO
Form 4
August 14, 2006

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 *
WILSON RICHARD O

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)
08/14/2006

Director 10% Owner
 Officer (give title below) Other (specify below)

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	08/14/2006	08/14/2006	M	V 20,000 A \$ 12	20,000	D	
Common Stock	08/14/2006	08/14/2006	F	V 4,521 (1) D \$ 15.51	15,479	D	
Common Stock	08/14/2006	08/14/2006	J	V 15,479 (2) D \$ 15.51	0	D	
Common Stock	08/14/2006	08/14/2006	J	V 4,521 A \$ 15.51	65,405	I	Shares Held By Ltd Partnership
Common Stock					6,819	I	Trust Account

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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)	Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Stock Option (Right to Buy)	\$ 12	08/14/2006	08/14/2006	M	V 20,000	02/23/1997	08/23/2006	Common Stock	20,000
2004 Performance Shares	\$ 13.71					05/05/2005	07/14/2014	Common Stock	15,000
Stock Option (Right to Buy)	\$ 15.31					12/20/1997	06/20/2007	Common Stock	5,000
Stock Option (Right to Buy)	\$ 9.47					11/29/1998	05/29/2008	Common Stock	5,000
Stock Option (Right to Buy)	\$ 10.97					10/30/1999	04/23/2009	Common Stock	5,000
Stock Option (Right to Buy)	\$ 13.56					11/10/2000	05/10/2010	Common Stock	5,000
Stock Option (Right to Buy)	\$ 10.5					01/25/2001	07/25/2010	Common Stock	20,000
Stock Option (Right to Buy)	\$ 11.61					11/05/2001	05/04/2011	Common Stock	5,000
Stock Option (Right to Buy)	\$ 6.05					11/09/2002	05/08/2012	Common Stock	5,000

Stock Option (Right to Buy)	\$ 12.4	11/08/2004	05/06/2014	Common Stock	5,0
Stock Option (Right to Buy)	\$ 13.71	11/05/2005	05/05/2015	Common Stock	5,0
Stock Options (Right to Buy)	\$ 5.12	11/03/2003	05/02/2013	Common Stock	5,0

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WILSON RICHARD O 200 NORTH CANAL STREET NATCHEZ, MS 391203212	X			

Signatures

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

08/14/2006

__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).

- (1) Shares transferred to a Limited Partnership indirectly owned by reporting person.
- (2) Represents shares withheld by the issuer to pay the stock option exercise price.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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