

WALLACE JOHN C  
Form 4  
September 14, 2007

**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 \*  
WALLACE JOHN C

(Last) (First) (Middle)  
200 NORTH CANAL STREET  
(Street)  
NATCHEZ, MS 391203212

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
09/13/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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

**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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D) Price  |   |  |                                   |
| Common Stock                    | 09/13/2007                           | 09/13/2007   | S                              | V 5,000 D   | \$ 12.1   | 66,705   | D                                 |

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

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SEC 1474 (9-02)

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

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| 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 Securities (Instr. 3 and 4) |                 |              |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|---|-----------------|--------------|----------------------------|
|  |  |                                      |  | Code                           | V   | (A)  | (D) | Date Exercisable  | Expiration Date | Title        | Amount or Number of Shares |
| 2004 Performance Shares                    | \$ 13.71   |                                      |  |                                |   |  |     | 05/05/2005 <sup>(1)</sup>                                     | 07/14/2014      | Common Stock | 10,000                     |
| 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 | 5,000                      |
| Stock Option (Right to Buy)                | \$ 13.71   |                                      |  |                                |   |  |     | 11/05/2005  | 05/05/2015      | Common Stock | 5,000                      |
| Stock Option (Right to Buy) <sup>(2)</sup> | \$ 14.37   |                                      |  |                                |   |  |     | 11/03/2007  | 05/03/2017      | Common Stock | 5,000                      |
| Stock Options                              | \$ 5.12  |                                      |  |                                |   |  |     | 11/03/2003  | 05/02/2013      | Common Stock | 5,000                      |

(Right to  
Buy)

## Reporting Owners

| Reporting Owner Name / Address                                    | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| WALLACE JOHN C<br>200 NORTH CANAL STREET<br>NATCHEZ, MS 391203212 | X             |           |         |       |

## Signatures

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

09/13/2007

\_\_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) Performance Stock awarded July 14, 2004. These shares vest in five equal annual installments beginning on July 14, 2005.
- (2) In accordance with the award document, these options become exercisable six months from the issue date and shall expire ten years from the issue date.

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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