

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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(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
- (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
- (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.