

CALLON PETROLEUM CO
Form 4
July 17, 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 *
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)
07/14/2007

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

NATCHEZ, MS 391203212
(City) (State) (Zip)

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

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 | 07/14/2007 | 07/16/2007 ⁽¹⁾ | M | V 5,000 A 15.34 | 23,024 | I | Jt. Ten. with Spouse |
| Common Stock | 07/14/2007 | 07/16/2007 ⁽¹⁾ | F | V 1,323 D 15.34 | 21,701 | I | Jt. Ten. with Spouse |
| Common Stock | | | | | 353 | I | 401(k) Account |
| Common Stock | | | | | 2,288 | I | IRA 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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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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| 2004 Performance Shares | \$ 13.71 | 07/14/2007 | 07/16/2007 ⁽¹⁾ | M V | 5,000 | 05/05/2005 ⁽²⁾ 07/14/2014 | Common Stock | 5,000 |
| 2006 Restricted Shares | \$ 15.93 | | | | | 11/16/2007 ⁽³⁾ 11/16/2010 | Common Stock | 45,000 |
| 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 |

Buy)

Stock Option
(Right to Buy)

\$ 13.71

11/05/2005 05/05/2015

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

07/17/2007

__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) Shares vested on Saturday, July 14, 2007. Deemed execution date and pricing date was Monday, July 16, 2007, the following business 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.

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.