

CALLON PETROLEUM CO  
Form 4  
July 15, 2008

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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

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

NATCHEZ, MS 391203212

(City) (State) (Zip)

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
07/14/2008

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)  
Executive Vice President/ CFO

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)
				(A) or (D) Code V Amount Price			
Common Stock	07/14/2008	07/14/2008	M	V 5,000 A \$ 25.89	35,999	I	Jt. Ten. with Spouse
Common Stock	07/14/2008	07/14/2008	F	V 1,573 D \$ 25.89	34,426	I	Jt. Ten. with Spouse
Common Stock					15,000	D	
Common Stock					598	I	401(k) Account (1)

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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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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 10.5					01/25/2001	07/25/2010	Common Stock	15,000
Stock Option (Right to Buy)	\$ 6.05					11/09/2002	05/08/2012	Common Stock	5,000
Stock Options (Right to Buy)	\$ 5.12					11/03/2003	05/02/2013	Common Stock	5,000
2004 Performance Shares	\$ 13.71	07/14/2008	07/14/2008	M	V 5,000	05/05/2005 <sup>(2)</sup>	07/14/2014	Common Stock	5,000
2006 Restricted Shares	\$ 15.93					11/16/2007 <sup>(3)</sup>	11/16/2010	Common Stock	33,000
2008 Performance Stock Award	\$ 0 <sup>(4)</sup>					<sup>(4)</sup>	<sup>(4)</sup>	Common Stock	15,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

Director    10% Owner    Officer    Other

WEATHERLY B F  
200 NORTH CANAL STREET    X    Executive Vice President/ CFO  
NATCHEZ, MS 391203212

## Signatures

By: Robert A. Mayfield as  
Attorney-in-fact for    07/15/2008

\_\_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) Performance Stock awarded July 14, 2004. These shares vest in five equal annual installments beginning on July 14, 2005.
- (2) Restricted shares awarded November 16, 2006. Vesting will occur 25% on each anniversary date beginning on November 16, 2007.
- (3) Restricted shares awarded November 16, 2006. Vesting will occur 25% on each anniversary date beginning on November 16, 2007.
- (4) 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.

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.