

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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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 *
SMITH RODGER W JR

(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)
06/18/2008

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)
Vice- President, Treasurer

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		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)
			Code	V	Amount	(A) or (D)			
Common Stock	06/18/2008	06/18/2008	M	V	8,000	A	\$ 9 21,745	D	
Common Stock	06/18/2008	06/18/2008	M	V	1,600	A	\$ 4.5 23,345	D	
Common Stock	06/18/2008	06/18/2008	F	V	5,419	D	\$ 27.72 17,926	D	
Common Stock	06/18/2008	06/18/2008	M	V	1,083	A	\$ 3.7 19,009	D	
Common Stock	06/19/2008	06/19/2008	S	V	5,264	D	\$ 27.62 13,745	D	

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Common Stock 9,656 ⁽¹⁾ I 401(k) 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		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
					Acquired (A)	Disposed of (D)	Date Exercisable	Expiration Date		
Stock Option (Right to Buy)	\$ 9	06/18/2008	06/18/2008	M V	8,000		09/05/1999	03/05/2009	Common Stock	8,000
Stock Option (Right to Buy)	\$ 4.5	06/18/2008	06/18/2008	M V	1,600		01/13/2003	07/12/2012	Common Stock	1,600
Stock Option (Right to Buy)	\$ 3.7	06/18/2008	06/18/2008	M V	1,083		02/24/2003	08/23/2012	Common Stock	1,083
2004 Performance Shares	\$ 13.71						05/05/2005	07/14/2014	Common Stock	5,000
2006 Performance Shares	\$ 15.83						08/21/2006	08/21/2010	Common Stock	13,200
2008 Performance Stock Award	\$ 0 ⁽²⁾						⁽²⁾	⁽²⁾	Common Stock	6,000
Stock Option (Right to Buy)	\$ 10.5						09/23/2000	03/23/2010	Common Stock	20,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH RODGER W JR 200 NORTH CANAL STREET NATCHEZ, MS 391203212			Vice- President, Treasurer	

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.

The number of shares awarded is conditioned based on the achievement of a specified performance target, based upon the price of

(2) 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.

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