

WEATHERLY B F
Form 4
July 15, 2009

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

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)

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

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

200 NORTH CANAL STREET

07/14/2009

Executive Vice President/ CFO

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)

NATCHEZ, MS 391203212

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	07/14/2009	07/14/2009	M	V 5,000 A \$ 1.5	46,053	I	Jt. Ten. with Spouse
Common Stock	07/14/2009	07/14/2009	F	V 109 ⁽¹⁾ D \$ 1.5	45,944	I	Jt. Ten. with Spouse
Common Stock					15,000	D	
Common Stock					17,620	I	401(k) Account ⁽²⁾
					2,288	I	

Common
Stock

IRA
Account

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

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(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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Am or Nur of S
2004 Performance Shares	\$ 13.82	07/14/2009	07/14/2009	M	V 5,000	05/05/2005 ⁽³⁾	07/14/2014	Common Stock	5,
2006 Restricted Shares	\$ 15.93					11/16/2007 ⁽⁴⁾	11/16/2010	Common Stock	22.
2008 Performance Stock Award	\$ 0 ⁽⁵⁾					⁽⁵⁾	⁽⁵⁾	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

Reporting Owners

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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

07/14/2009

__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 withheld by the Issuer to satisfy tax liabilities associated with the taxable income on the vesting date of certain restricted stock. Additional shares will be withheld by the Issuer at a later date when the tax liability associated with the payment date is determined.

The number of shares reported is calculated by dividing the total market value of the reporting person's account balance within the Callon

- (2) 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.

- (3) Performance Stock awarded July 14, 2004. These shares vest in five equal annual installments beginning on July 14, 2005.

- (4) 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

- (5) 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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