

WEATHERLY B F

Form 4

August 23, 2006

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

OMB APPROVAL

OMB
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(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)

08/22/2006

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

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

NATCHEZ, MS 391203212

(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)
Common Stock	08/22/2006	08/22/2006	M	V 5,000 A \$ 12	21,802	I	Jt. Ten. with Spouse
Common Stock	08/22/2006	08/22/2006	F	V <u>3,778</u> ⁽¹⁾ D \$ 15.89	18,024	I	Jt. Ten. with Spouse
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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information contained in this form are not
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SEC 1474
(9-02)

displays a currently valid OMB control number.

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 Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of S
Stock Option (Right to Buy)	\$ 12	08/22/2006	08/22/2006	M	V 5,000	02/23/1997	08/23/2006	Common Stock	5,000
2004 Performance Shares	\$ 13.71					05/05/2005 ⁽²⁾	07/14/2014	Common Stock	15,000
Stock Option (Right to Buy)	\$ 15.31					12/20/1997	06/20/2007	Common Stock	5,000
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	

Signatures

By: Robert A. Mayfield as
Attorney-in-fact for

08/22/2006

**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) Represents shares withheld by the issuer to pay the stock option exercise price.

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

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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