

CALLON PETROLEUM CO

Form 4

June 19, 2008

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 *
SMITH CLARK H

(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)

06/17/2008

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

Chief Information Officer

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ 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	06/18/2008	06/18/2008	M	V	7,000	A	\$ 9	32,253	D	
Common Stock	06/18/2008	06/18/2008	F	V	7,205	D	\$ 27.72	25,048	D	
Common Stock	06/18/2008	06/18/2008	M	V	6,000	A	\$ 10.5	31,048	D	
Common Stock	06/19/2008	06/19/2008	S	V	5,795	D	\$ 27.62	25,253	D	
Common Stock	06/17/2008	06/17/2008	J	V	5,253 ⁽¹⁾	D	\$ 27.35	0	I	401(k) Account

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Common Stock	2,193	I	Jt. Ten. with Spouse
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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 Underlying Securities (Instr. 3 and 4)		
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock Option (Right to Buy)	\$ 9	06/18/2008	06/18/2008	M	V	7,000	09/05/1999	03/05/2009	Common Stock	7,000
Stock Option (Right to Buy)	\$ 10.5	06/18/2008	06/18/2008	M	V	6,000	09/23/2000	03/23/2010	Common Stock	6,000
2004 Performance Shares	\$ 13.71					05/05/2005	07/14/2014	Common Stock	4,400	
2006 Performance Shares	\$ 15.83					08/21/2006	08/21/2010	Common Stock	9,600	
2008 Performance Stock Award	\$ 0 ⁽²⁾					⁽²⁾	⁽²⁾	Common Stock	4,000	
Stock Option (Right to Buy)	\$ 4.5					01/13/2003	07/12/2012	Common Stock	4,800	
Stock Option (Right to Buy)	\$ 3.7					02/24/2003	08/23/2012	Common Stock	3,250	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH CLARK H 200 NORTH CANAL STREET NATCHEZ, MS 391203212			Chief Information Officer	

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).

(1) Represents equivalent shares liquidated within participant's 401-K portfolio and reinvested in other investments.

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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