CALLON PETROLEUM CO

Form 4

December 20, 2007

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

OMB Number:

3235-0287

0.5

Check this box if no longer subject to

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, Expires: 2005 Estimated average

OMB APPROVAL

burden hours per

response...

Section 16. Form 4 or Form 5 obligations may continue.

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

1(b).

Stock

(Print or Type Responses)

See Instruction

1. Name and A WALLACE	Address of Reporting E JOHN C	Symbol	er Name and Ticker or Trading ON PETROLEUM CO [CPE]	5. Relationship of Reporting Person(s) to Issuer				
<i>a</i>	(F' I)			(Check all applicable)				
(Last)	(First) (N	,	of Earliest Transaction	V 5				
200 NODEL	I CANAL CEDE		Day/Year)	X Director 10% Owner Officer (give title Other (specify				
200 NOR 11	H CANAL STRE	ET 12/20/2	2007	below) below)				
	(Street)	4. If Am	endment, Date Original	6. Individual or Joint/Group Filing(Check				
		Filed(Mo	onth/Day/Year)	Applicable Line)				
NATCHEZ	, MS 391203212			_X_ Form filed by One Reporting Person Form filed by More than One Reporting Person				
(City)	(State)	(Zip) Tab	ole I - Non-Derivative Securities Ac	quired, Disposed of, or Beneficially Owned				
1.Title of	2. Transaction Date	2A. Deemed	3. 4. Securities Acquired	5. Amount of 6. 7. Nature of				
Security	(Month/Day/Year)	Execution Date, if	Transaction(A) or Disposed of (D)	Securities Ownership Indirect				
(Instr. 3)		any	Code (Instr. 3, 4 and 5)	Beneficially Form: Direct Beneficial				
		(Month/Day/Year)	(Instr. 8)	Owned (D) or Ownership				
				Following Indirect (I) (Instr. 4) Reported (Instr. 4)				
			(A)	Reported (Instr. 4) Transaction(s)				
			Or Code W Assessment (D) Price	(Instr 3 and 4)				
Common			Code V Amount (D) Price					
Common Stock	12/20/2007	12/20/2007	S V 5,000 D \$ 15.25	56,705 D				

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

15.25

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

Edgar Filing: CALLON PETROLEUM CO - Form 4

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. 5. TransactionNumber Code of (Instr. 8) Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			7. Title and Amount of Underlying Securities (Instr. 3 and 4)				
				Code V	r	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Share
2004 Performance Shares	\$ 13.71							05/05/2005(1)	07/14/2014	Common Stock	10,000
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
Stock Option (Right to Buy)	\$ 13.71							11/05/2005	05/05/2015	Common Stock	5,000
Stock Option (Right to Buy) (2)	\$ 14.37							11/03/2007	05/03/2017	Common Stock	5,000
Stock Options	\$ 5.12							11/03/2003	05/02/2013	Common Stock	5,000

(Right to Buy)

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

WALLACE JOHN C
200 NORTH CANAL STREET X
NATCHEZ, MS 391203212

Signatures

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

12/20/2007

**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) Performance Stock awarded July 14, 2004. These shares vest in five equal annual installments beginning on July 14, 2005.
- (2) In accordance with the award document, these options become exercisable six months from the issue date and shall expire ten years from the issue 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.

Reporting Owners 3