

WEATHERLY B F
Form 4
November 18, 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 *
WEATHERLY B F

(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)
11/17/2008

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Executive Vice President/ CFO

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 (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 Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock	11/17/2008	11/17/2008	M	V 11,250 A \$ 7.43	45,676	I	Jt. Ten. with Spouse
Common Stock	11/17/2008	11/17/2008	F	V 4,623 D \$ 7.43	41,053	I	Jt. Ten. with Spouse
Common Stock					15,000	D	
Common Stock					598	I	401(k) Account (1)

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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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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	Amount or Number of
2006 Restricted Shares	\$ 15.93	11/17/2008	11/17/2008	M	V	11,250		11/16/2007 ⁽²⁾	11/16/2010	Common Stock	1
2004 Performance Shares	\$ 13.82							05/05/2005 ⁽³⁾	07/14/2014	Common Stock	5
2008 Performance Stock Award	\$ 0 ⁽⁴⁾							⁽⁴⁾	⁽⁴⁾	Common Stock	1
Stock Option (Right to Buy)	\$ 10.5							01/25/2001	07/25/2010	Common Stock	1
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

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 11/17/2008

__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.
(2) Restricted shares awarded November 16, 2006. Vesting will occur 25% on each anniversary date beginning on November 16, 2007.
(3) Performance Stock awarded July 14, 2004. These shares vest in five equal annual installments beginning on July 14, 2005.
The number of shares awarded is conditioned based on the achievement of a specified performance target, based upon the price of
(4) 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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