

CALLON PETROLEUM CO
Form 4
August 14, 2006

FORM 4

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

OMB APPROVAL

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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 *
WILSON RICHARD O

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)
08/14/2006

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

NATCHEZ, MS 391203212

(City) (State) (Zip)

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

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 | 08/14/2006 | 08/14/2006 | M | V | 20,000 | A | \$ 12 | 20,000 | D | |
| Common Stock | 08/14/2006 | 08/14/2006 | F | V | 4,521 (1) | D | \$ 15.51 | 15,479 | D | |
| Common Stock | 08/14/2006 | 08/14/2006 | J | V | 15,479 (2) | D | \$ 15.51 | 0 | D | |
| Common Stock | 08/14/2006 | 08/14/2006 | J | V | 4,521 | A | \$ 15.51 | 65,405 | I | Shares Held By Ltd Partnership |
| Common Stock | | | | | | | | 6,819 | I | Trust Account |

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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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----------------|---|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | |
| Stock Option (Right to Buy) | \$ 12 | 08/14/2006 | 08/14/2006 | M | V 20,000 | 02/23/1997 | 08/23/2006 | Common Stock | 20,000 |
| 2004 Performance Shares | \$ 13.71 | | | | | 05/05/2005 | 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 | 5,0 |
| Stock Option (Right to Buy) | \$ 13.71 | 11/05/2005 | 05/05/2015 | Common Stock | 5,0 |
| Stock Options (Right to Buy) | \$ 5.12 | 11/03/2003 | 05/02/2013 | Common Stock | 5,0 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| WILSON RICHARD O 200 NORTH CANAL STREET NATCHEZ, MS 391203212 | X | | | |

Signatures

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

08/14/2006

__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) Shares transferred to a Limited Partnership indirectly owned by reporting person.
- (2) Represents shares withheld by the issuer to pay the stock option exercise price.

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