

CALLON PETROLEUM CO
Form 4
May 03, 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 *
WALLACE JOHN C

(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)
05/02/2006

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)

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	05/02/2006	05/02/2006	M	V	5,000	A	\$ 12 66,088	D
Common Stock	05/02/2006	05/02/2006	F	V	2,854	D	\$ 21.02 63,234	D

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)

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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 Securities (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 12	05/02/2006	05/02/2006	M	V	5,000	02/23/1997 08/23/2006	Common Stock	5,000
2004 Performance Shares	\$ 13.71						05/05/2005 07/14/2014	Common Stock	20,000
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
Stock Option (Right to Buy)	\$ 13.71						11/05/2005 05/05/2015	Common Stock	5,000
	\$ 5.12						11/03/2003 05/02/2013		5,000

Stock
Options
(Right to
Buy)

Common
Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WALLACE JOHN C 200 NORTH CANAL STREET NATCHEZ, MS 391203212	X			

Signatures

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

05/03/2006

__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).

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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