

Conn Mitzi P  
Form 4  
May 11, 2010

**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 \*  
Conn Mitzi P

(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)  
05/07/2010

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)  
Corporate Controller

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					7,542	D	
Common Stock					10,699	I	401(k) Account <sup>(1)</sup>

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

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SEC 1474 (9-02)

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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 Shares
2010 Phantom Shares <sup>(2)</sup>	\$ 4.95	05/07/2010	05/07/2010	A	V	20,000 <sup>(2)</sup>		11/08/2010	12/31/2012	Common Stock	20,000
2010 Restricted Stock Units - cash <sup>(3)</sup>	\$ 4.95	05/07/2010	05/07/2010	A	V	4,500		11/08/2010	05/07/2013	Common Stock	4,500
2010 Restricted Stock Units - shares <sup>(4)</sup>	\$ 4.95	05/07/2010	05/07/2010	A	V	25,500		11/08/2010	05/07/2013	Common Stock	25,500
2006 Performance Shares	\$ 15.83							08/21/2006	08/21/2010	Common Stock	2,000
2008 Performance Stock Award	\$ 0 <sup>(5)</sup>							<sup>(5)</sup>	<sup>(5)</sup>	Common Stock	4,000
2009 Restricted Stock Units - cash <sup>(6)</sup>	\$ 1.63							<sup>(6)</sup>	<sup>(6)</sup>	Common Stock	2,100
2009 Restricted Stock Units - shares <sup>(7)</sup>	\$ 1.63							<sup>(7)</sup>	<sup>(7)</sup>	Common Stock	11,900

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Conn Mitzi P 200 NORTH CANAL STREET			Corporate Controller	

NATCHEZ, MS 391203212

## Signatures

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

05/07/2010

\_\_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.

This Phantom Share award is subject to vesting on December 31, 2012 and is payable in cash rather than stock. In addition, the award is subject to a variable percentage payout based on a performance criteria related to the Total Shareholder Return of the Company compared to a group of peer companies. Therefore this award can range from 0% to as much as 150% of its original value at the vesting date.

(3) Restricted Stock Units will vest on the third anniversary date following the grant date. Payment will be made in cash based on the average of the opening and closing market price of the underlying common stock of the issuer on the date of vesting.

(4) Restricted Stock Units will vest on the third anniversary date following the grant date. Payment will be made in shares of common stock of the issuer based on the average of the opening and closing market price of the underlying common stock on the date of vesting.

The number of shares awarded is conditioned based on the achievement of a specified performance target, based upon the price of

(5) 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.

(6) Restricted Stock Units will vest 100% on the third anniversary date following the grant date. Payment will be made in cash based on the average of the opening and closing market price of the underlying common stock of the issuer on the date of vesting.

(7) Restricted Stock Units will vest 100% on the third anniversary date following the grant date. Payment will be made in shares of common stock of the issuer based on the average of the opening and closing market price of the underlying common stock on the date of vesting.

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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