Smith Howard Clark Form 4 May 19, 2011

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287

Expires: January 31, 2005

Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Form 5 obligations may continue. See Instruction

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).

(Print or Type Responses)

1. Name and Address of Reporting Person * Smith Howard Clark			2. Issuer Name and Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer		
			CALLON PETROLEUM CO [CPE]	(Check all applicable)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction			
200 NORTH	CANAL ST	TREET	(Month/Day/Year) 05/18/2011	Director 10% Owner Officer (give title Other (specify below)		
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
NATCHEZ, MS 391203212			Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		
(City)	(State)	(Zip)	Table I - Non-Derivative Securities Acc	quired, Disposed of, or Beneficially Owned		
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(City)	(State) (2	Table	I - Non	ı-De	rivative S	ecurit	ties Acc	quired, Disposed o	of, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	Date, if Transactio Code		4. Securities on Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common			Code	V	Amount 1,176	(A) or (D)	Price	Reported Transaction(s) (Instr. 3 and 4)		
Stock	05/18/2011	05/18/2011	F	V	(1)	D	6.7	2,741	D	
Common Stock	05/18/2011	05/18/2011	G	V	2,741 (2)	D	\$ 6.7	0	D	
Common Stock	05/18/2011	05/18/2011	G	V	2,741 (2)	A	\$ 6.7	34,160	I	Jt. Ten. with Spouse
Common Stock								3,612 <u>(3)</u>	I	401(k) Account

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

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SEC 1474 (9-02)

> 8. I Der Sec (In:

$\label{thm:convergence} \begin{tabular}{ll} Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned \\ (e.g., puts, calls, warrants, options, convertible securities) \end{tabular}$

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. Transactic Code (Instr. 8)	5. Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)			Title and Amount of anderlying Securities anstr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
2009 Restricted Stock Units - Cash (4)	\$ 1.63					<u>(4)</u>	<u>(4)</u>	Common Stock	2,100	
2009 Restricted Stock Units - Stock (5)	\$ 1.63					<u>(5)</u>	<u>(5)</u>	Common Stock	11,900	
2010 Phantom Shares (6)	\$ 4.95					11/08/2010	12/31/2012	Common Stock	17,500	
2010 Restricted Stock Units - Cash (7)	\$ 4.95					11/08/2010	05/07/2013	Common Stock	3,000	
2010 Restricted Stock Units - Stock (8)	\$ 4.95					11/08/2010	05/07/2013	Common Stock	17,000	
2011 Phantom Shares (9)	\$ 7.01					05/12/2012	12/31/2013	Common Stock	10,000	

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2011 Restricted Stock Units - Cash (10)	\$ 7.01	05/12/2012	05/12/2014	Common Stock	2,100
2011 Restricted Stock Units - Stock (11)	\$ 7.01	05/12/2012	05/12/2014	Common Stock	11,900
Stock Option (Right to Buy)	\$ 4.5	01/13/2003	07/12/2012	Common Stock	4,800
Stock Option (Right to Buy)	\$ 3.7	02/24/2003	08/23/2012	Common Stock	3,250

Reporting Owners

Reporting Owner Name / Address	Relationships						
Troporous o mare runne / runn ess	Director	10% Owner	Officer	Other			
Smith Howard Clark			Chief				
200 NORTH CANAL STREET			Information				
NATCHEZ, MS 391203212			Officer				

Signatures

By: Robert A. Mayfield as Attorney-in-fact for 05/19/2011

**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) Represents disposition of shares previously reported and subject to certain vesting provisions. Issuer withheld shares to satisfy federal and state withholding tax liability associated with fair market value of securities vested.
- (2) Transfer of shares owned directly to joint tenant with spouse.
- The number of shares reported is calculated by dividing the total market value of the reporting person's account balance within the Callon 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.
- (4) 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.
- (5) 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.

Reporting Owners 3

(6)

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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.

- (7) 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.
- (8) 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.
- This Phantom Share award is subject to vesting on December 31, 2013 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.
- (10) 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 on the date of vesting.
- (11) 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.

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.