CALLON PETROLEUM CO
Form 4
July 15, 2005

FORM 4

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

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

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).

(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)
07/14/2005

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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	07/14/2005	07/14/2005	M	V	5,000 (1)	A	$ 16.51	57,528	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)

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 Amou Underlying Securi (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Am or Nur of S
2004 Performance Shares	$ 13.71	07/14/2005	07/14/2005	M	V		5,000	05/05/2005(2)	07/14/2014	Common Stock	5,(
Stock Option (Right to Buy)	$ 13.75							12/20/1996	06/20/2006	Common Stock	5,(
Stock Option (Right to Buy)	$ 12							02/23/1997	08/23/2006	Common Stock	20,
Stock Option (Right to Buy)	$ 15.31							12/20/1997	06/20/2007	Common Stock	5,(
Stock Option (Right to Buy)	$ 9.47							11/29/1998	05/29/2008	Common Stock	5,(
Stock Option (Right to Buy)	$ 10.97							10/30/1999	04/23/2009	Common Stock	5,(
Stock Option (Right to Buy)	$ 13.56							11/10/2000	05/10/2010	Common Stock	5,(
Stock Option (Right to Buy)	$ 10.5							01/25/2001	07/25/2010	Common Stock	20,
Stock Option (Right to Buy)	$ 11.61							11/05/2001	05/04/2011	Common Stock	5,(
Stock Option (Right to Buy)	$ 6.05							11/09/2002	05/08/2012	Common Stock	5,(
Stock Option (Right to Buy)	$ 12.4							11/08/2004	05/06/2014	Common Stock	5,(
	$ 13.71							11/05/2005	05/05/2015		5,(

Stock Option (Right to Buy)					Common Stock	
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
WALLACE JOHN C 200 NORTH CANAL STREET NATCHEZ, MS 391203212	X			

Signatures

By: Robert A. Mayfield as Attorney-in-fact for	07/15/2005
**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 shares acquired as a result of partial vesting of Performance Stock previously awarded - see corresponding derivative transaction.

(2) Performance Stock awarded July 14, 2004. These shares vest in five equal annual installments beginning on July 14, 2005.

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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