

CALLON PETROLEUM CO
Form 4
January 03, 2014

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 *
Newberry Gary

(Last) (First) (Middle)
200 NORTH CANAL STREET
(Street)

NATCHEZ, MS 39120

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CALLON PETROLEUM CO [CPE]

3. Date of Earliest Transaction
(Month/Day/Year)
12/31/2013

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)
Senior VP - Operatons

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)
			Code	V	Amount	(A) or (D)	Price
Common Stock	12/31/2013		M		25,000	A	150,079
Common Stock	12/31/2013		D		25,000	D	\$ 6.53
Common Stock					22,017	I	401(k) Account

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

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number.

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 Securities (Instr. 3 and 4)	Amount or Number of Shares				
					Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
2011 Phantom Shares ⁽³⁾	<u>(1)</u>	12/31/2013		M	25,000	12/31/2013	12/31/2013				Common Stock	25,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Newberry Gary 200 NORTH CANAL STREET NATCHEZ, MS 39120			Senior VP - Operatons	

Signatures

Clay V. Bland as
Attorney-in-fact

01/03/2014

 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) The terms of this Phantom Share award specify payment in cash rather than stock, and included a provision providing for a variable percentage payout (ranging from 0% to 150%) based on a performance criteria related to the Total Shareholder Return of the Company compared to a group of peer companies. On December 31, 2013, the reporting person's 2011 Phantom Shares held vested at the 100% level, or the equivalent of 25,000 shares of common stock of Callon Petroleum Company. The amount payable was based on the economic value of one share of Callon Petroleum Company common stock, calculated as the average of the opening and closing price on the vesting date (or \$6.53 on December 31, 2013).

(2) The number of shares reported are held within the individual's 401(k) account, the Callon Petroleum Company Employee Savings and Protection Plan, and are invested in the "Callon Petroleum Company Er Stock" fund. The number of shares reported is calculated by dividing the total market value of this fund on the day prior to this Form 4 reporting date by the closing market price-per-share on that date. Based on this calculation, between 05/09/2013 and 12/31/2013, the reporting person acquired 2,932 shares of common stock of Callon petroleum Company under the 401(k) plan.

(3) 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.

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