SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF

THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended June 30, 1998 Commission File Number 0-25192

CALLON PETROLEUM COMPANY
(Exact name of Registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	64-0844345 (I.R.S. Employer Identification No.)

200 North Canal Street
Natchez, Mississippi 39120
(Address of principal executive offices)(Zip code)

(601) 442-1601
(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

As of August 3, 1998 there were 8,038,813 shares of the Registrant's Common Stock, par value $.01 per share, outstanding.

CALLON PETROLEUM COMPANY

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<TABLE>
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CALLON PETROLEUM COMPANY
CONSOLIDATED BALANCE SHEETS
($ in thousands)

	June 30, 1998 (Unaudited)	December 31, 1997
<S>	<C>	<C>
ASSETS		
Current assets:		
Cash and cash equivalents	$ 36,923	$ 15,597
Accounts receivable	10,824	12,168
Other current assets	1,153	723
Total current assets	48,900	28,488
Oil & gas properties, full cost accounting method:		
Evaluated properties	393,249	398,046
Less accumulated depreciation, depletion and amortization	(293,196)	(282,891)
	100,053	115,155
Unevaluated properties excluded from amortization	51,021	35,339
Total oil and gas properties	151,074	150,494

Pipeline and other facilities, net	6,343	6,504
Other property and equipment, net	1,866	1,938
Deferred tax asset	247	1,248
Long-term gas balancing receivable	222	242
Other assets, net	1,271	1,507
	----------	---------
	161,023	161,933
	----------	---------
Total assets	$ 209,923	$ 190,421
	==========	=========
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 10,419	$ 12,389
Undistributed oil and gas revenues	3,803	2,259
Other current liabilities	19,408	1,121
	----------	---------
Total current liabilities	33,630	15,769
Long-term debt	60,250	60,250
Other long-term liabilities	460	297
Long-term gas balancing payable	352	404
	----------	---------
Total liabilities	94,692	76,720
	----------	---------
Stockholders' equity:		
Preferred stock	13	13
Common stock	80	79
Unearned compensation - restricted stock	(4,166)	(2,232)
Capital in excess of par value	109,340	106,433
Retained earnings	9,964	9,408
	----------	---------
Total stockholders' equity	115,231	113,701
	----------	---------
Total liabilities and stockholders' equity	$ 209,923	$ 190,421
	==========	=========

The accompanying notes are an integral part of these financial statements.

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CALLON PETROLEUM COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share data)

	Three Months Ended		Six Months Ended	
	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
	--------	--------	--------	--------
<S>	<C>	<C>	<C>	<C>
Revenues:				
Oil and gas sales	$ 9,277	$ 8,370	$ 20,322	$ 20,844
Interest and other	456	388	903	695
	--------	--------	--------	--------
Total revenues	9,733	8,758	21,225	21,539
	--------	--------	--------	--------
Costs and expenses:				
Lease operating expenses	2,148	1,756	4,089	4,164
Depreciation, depletion and amortization	4,896	3,765	10,466	7,581
General and administrative	1,230	1,351	2,732	2,382
Interest	332	99	983	210
	--------	--------	--------	--------
Total costs and expenses	8,606	6,971	18,270	14,337
	--------	--------	--------	--------
Income from operations	1,127	1,787	2,955	7,202
Income tax expense	380	578	1,001	2,311
	--------	--------	--------	--------
Net income	747	1,209	1,954	4,891
Preferred stock dividends	699	699	1,398	1,398
	--------	--------	--------	--------
Net income available to common shares	$ 48	$ 510	$ 556	$ 3,493
	========	========	========	========
Net income per common share:				
Basic	$ 0.01	$ 0.08	$ 0.07	$ 0.58

	========	========	========	========
Diluted	$ 0.01	$ 0.08	$ 0.07	$ 0.53
	========	========	========	========
Shares used in computing net income per common share:				
Basic	8,028	6,016	8,021	6,013
	========	========	========	========
Diluted	8,247	6,268	8,233	9,297
	========	========	========	========

The accompanying notes are an integral part of these financial statements.

<CAPTION>

CALLON PETROLEUM COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
($ in thousands)

	Six Months Ended June 30, 1998	Six Months Ended June 30, 1997
	---------	--------
<S>	<C>	<C>
Cash flows from operating activities:		
Net income	$ 1,954	$ 4,891
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization	10,722	7,791
Amortization of deferred costs	318	188
Deferred income tax expense	1,001	2,311
Noncash compensation related to stock plans	1,033	519
Changes in current assets & liabilities:		
Accounts receivable, trade	1,344	3,020
Other current assets	(430)	(196)
Current liabilities	357	(1,537)
Change in gas balancing receivable	20	164
Change in gas balancing payable	(52)	161
Change in other long-term liabilities	--	122
Change in other assets, net	(82)	(138)
	---------	---------
Cash provided by operating activities	16,185	17,296
	---------	---------
Cash flows from investing activities:		
Capital expenditures	(21,280)	(36,214)
Cash proceeds from sale of mineral interests	10,211	2,524
Cash proceeds from sale of mineral interest burdened by a net profits interest	19,957	--
	---------	---------
Cash used in investing activities	8,888	(33,690)
	---------	---------
Cash flows from financing activities:		
Change in accrued liabilities for capital expenditures	(2,453)	385
Increase in debt	--	18,500
Equity issued by conversion of stock options	--	30
Stock canceled	(145)	--
Sale of common stock	249	148

Dividends on preferred stock	(1,398)	(1,398)
Cash provided by (used in) financing activities	(3,747)	17,665
Net increase (decrease) in cash and cash equivalents	21,326	1,271
Cash and short-term investments:		
Balance, beginning of period	15,597	7,669
Balance, end of period	$ 36,923	$ 8,940

The accompanying notes are an integral part of these financial statements.

</TABLE>

CALLON PETROLEUM COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 1998

1. Basis of Presentation

The financial information presented as of any date other than December 31, has been prepared from the books and records without audit. Financial information as of December 31, has been derived from the audited financial statements of the Company, but does not include all disclosures required by generally accepted accounting principles. In the opinion of management, all adjustments, consisting only of normal recurring adjustments, necessary for the fair presentation of the financial information for the period indicated, have been included. For further information regarding the Company's accounting policies, refer to the Consolidated Financial Statements and related notes for the year ended December 31, 1997 included in the Company's Annual Report on Form 10-K dated March 17, 1998.

2. Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133 ("FAS 133"), Accounting for Derivative Instruments and Hedging Activities. The Statement establishes accounting and reporting standards requiring that every derivative instrument, including certain derivative instruments embedded in other contracts be recorded in the balance sheet as either an asset or liability measured at its fair value.

FAS 133 is effective for fiscal years beginning after June 15, 1999. A company may also implement the Statement as of the beginning of any fiscal quarter after issuance (that is, fiscal quarters beginning June 16, 1998 and thereafter). FAS 133 cannot be applied retroactively.

We have not yet quantified the impacts of adopting FAS 133 on our financial statements and have not determined the timing of or method of our adoption of FAS 133. However, the Statement could increase volatility in other comprehensive income.

3. Earnings Per Share

In February 1997, the Financial Accounting Standards Board issued Statement No. 128 ("FAS 128"), Earnings Per Share, which generally simplified the manner in which earnings per share are determined. The Company adopted FAS 128 effective December 15, 1997. In accordance with FAS 128, the Company's previously reported earnings per share for 1997 was restated.

Basic earnings per common share were computed by dividing net income by the weighted average number of shares of common stock outstanding during the quarter. Diluted earnings per common share for the three and six month periods ended June 30, 1998 and 1997 were determined on a weighted average basis using common shares issued and outstanding adjusted for the effect of stock options considered common stock equivalents computed using the treasury stock method and the effect of the convertible preferred stock (if dilutive).

A reconciliation of the basic and diluted earnings per share computation is as follows (in thousands, except per share amounts):

<TABLE>
<CAPTION>

	Three Months Ended June 30, 1998	Three Months Ended June 30, 1997	Six Months Ended June 30, 1998	Six Months Ended June 30, 1997
<S>	<C>	<C>	<C>	<C>
(a) Net income available for common stock	$ 48	$ 510	$ 556	$ 3,493
Preferred dividends assuming conversion of preferred stock (if dilutive)	$ --	$ --	$ --	$ 1,398
(b) Income available for common stock assuming conversion of preferred stock (if dilutive)	$ 508	$ 510	$ 556	$ 4,891
(c) Weighted average shares outstanding	8,028	6,016	8,021	6,013
Dilutive impact of stock options	219	252	212	294
Convertible preferred stock (if dilutive)	--	--	--	2,990
(d) Total diluted shares	8,247	6,268	8,233	9,297
Basic earnings per share (a/c)	$ 0.01	$ 0.08	$ 0.07	$ 0.58
Diluted earnings per share (b/d)	$ 0.01	$ 0.08	$ 0.07	$ 0.53

The conversion of the preferred stock (convertible into 2,990,132 shares of common stock) was not included in the diluted calculation for the three months ended June 30, 1998, and 1997 and for the six month period ended June 30, 1998, due to its antidilutive effect on diluted earnings per share.

</TABLE>

4. Net Profits Interest

During May 1998, the Company completed the sale of an oil and gas property burdened by a net profits interest. The owner of the net profits interest is due approximately $19.9 million as a result of this sale and this amount due is included in the Company's cash and cash equivalents and current liabilities at June 30, 1998.

5. Hedging Contracts

The Company periodically uses derivative financial instruments to manage oil and gas price risks. Settlements of gains and losses on commodity price swap contracts are generally based upon the difference between the contract price or prices specified in the derivative instrument and a NYMEX price or other cash or futures index price, and are reported as a component of oil and gas revenues. Gains or losses attributable to the termination of a swap contract are deferred and recognized in revenue when the oil and gas is sold.

As of June 30, 1998, the Company had open collar contracts with third parties whereby minimum floor prices and maximum ceiling prices are contracted and applied to related contract volumes. These agreements in effect for 1998 are for average gas volumes of 662,500 Mcf per month through October of 1998 at (on average) a ceiling price of $2.67 and floor of $2.29. In addition, the Company had oil open collar contracts for 12,500 barrels per month from July 1998 through June of 1999 at a ceiling price of $18.00 and a floor of $14.50.

Also at June 30, 1998 the Company had open forward sales position natural gas contracts of (on average) 200,000 Mcf per month from April of 1999 through September of 1999 at a fixed contract price of $2.35.

For the six months ending June 30, 1998, $763,000 of net revenue was recognized as a result of the Company's hedging activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

This report includes "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this report regarding the Company's financial position, estimated quantities, reserves, business strategy, plans and objectives for future operations and covenant compliance, are forward-looking statements. Although the Company believes that the assumptions upon which such forward-looking statements are based are reasonable, it can give no assurances that such assumptions will prove to have been correct. Important factors that could cause actual results to differ materially from the Company's expectations include the results of and dependence on exploratory drilling activities, operating risks, regulatory and environmental matters, capital requirements and availability, dependence on key personnel, oil and gas price levels, availability of drilling rigs, weather, land issues and other risks described in the Company's filings with the Securities and Exchange Commission ("Cautionary Statements"). The Cautionary Statements expressly qualify all subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf.

The Company's revenues, profitability and future growth and the carrying value of its oil and gas properties are substantially dependent on prevailing prices of oil and gas. The Company's ability to maintain or increase its borrowing capacity and to obtain additional capital on attractive terms is also substantially dependent upon oil and gas prices. Prices for oil and gas are subject to large fluctuation in response to relatively minor changes in the supply of and demand for oil and gas, market uncertainty and a variety of additional factors beyond the control of the Company. Any substantial and extended decline in the price of oil or gas would have an adverse effect on the Company's carrying value of its proved reserves, borrowing capacity, revenues, profitability and cash flows from operations.

Volatile oil and gas prices make it difficult to estimate the value of producing properties for acquisition and often cause disruption in the market for oil and gas producing properties, as buyers and sellers have difficulty agreeing on such value. Price volatility also makes it difficult to budget for and project the return on acquisitions, exploration and development projects.

The following discussion is intended to assist in an understanding of the Company's historical financial position and results of operations for the three and six-month periods ended June 30, 1998 and 1997. The Company's historical financial statements and notes thereto included elsewhere in this quarterly report contain detailed information that should be referred to in conjunction with the following discussion.

LIQUIDITY AND CAPITAL RESOURCES

The Company's primary sources of capital are its cash flow from operations, borrowings from financial institutions and the sale of debt and equity securities. Net cash provided by operating activities for the six months ending June 30, 1998 totaled $16.2 million. Other sources of cash during the first six months were $30.2 million of which approximately $19.9 million is payable to the owner of a net profits interest. During the first half of 1998, capital expenditures $21.3 million and $1.4 million was paid as dividends to the preferred stockholders. The balance of the available funds were retained for future operating expenses and potential drilling and acquisition opportunities.

At June 30, 1998, the Company had working capital of $15.3 million and a current ratio of 1.5 to 1.

The Company has budgeted up to $85 million in capital expenditures for 1998. During the first six months of 1998, the Company has expended approximately

$11.6 million on drilling and development activities, $4.4 million in acquisitions of undeveloped mineral interests and seismic information attributable to future drilling sites and $5.3 million for other associated costs. For the balance of the year, the Company will continue evaluating producing property acquisitions and drilling opportunities. The major portion of the remaining capital expenditure budget will be used for exploratory and development activities. The capital budget will be financed with the sale of debt securities, projected cash flow from operations and unused borrowings under the Company's Credit Facility.

RESULTS OF OPERATIONS

The following table sets forth certain operating information with respect to the oil and gas operations of the Company.

<TABLE>
<CAPTION>

	Three Months Ended		Six Months Ended	
	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
<S>	<C>	<C>	<C>	<C>
Production:				
Oil (MBbls)	82	108	193	237
Gas (MMcf)	3,640	3,057	7,676	6,448
Total production (MMcfe)	4,129	3,707	8,835	7,869
Average sales price:				
Oil (per Bbl)	$ 11.98	$ 17.30	$ 13.06	$ 19.36
Gas (per Mcf)	2.28	2.13	2.32	2.52
Total production (per Mcfe)	2.25	2.26	2.30	2.65
Average costs (per Mcfe):				
Lease operating (excluding severance taxes)	$ 0.46	$ 0.39	$ 0.39	$ 0.43
Severance taxes	0.06	0.08	0.07	0.09
Depreciation, depletion and amortization	1.19	1.02	1.18	0.96
General and administrative (net of management fees)	0.30	0.36	0.31	0.30

</TABLE>

Comparison of Results of Operations for the Three Months Ended June 30, 1998 and the Three Months Ended June 30, 1997.

Oil and Gas Production and Revenues

Total oil and gas revenues increased 11% from $8.4 million in 1997 to $9.3 million. While oil production and prices were lower, gas revenues increased 28% and gas production increased 19% when compared to the same period last year.

Oil production during the second quarter of 1998 totaled 82,000 barrels and generated $1.0 million in revenues compared to 108,000 barrels and $1.9 million in revenues for the same period in 1997. Second quarter average daily production decreased from 1,190 barrels per day in 1997 to 896 barrels per day in 1998. Average oil prices received in the second quarter of 1998 were $11.98 compared to $17.30 in 1997. Decreased production in the second quarter of 1998 is largely attributable to the sale of Black Bay in May 1998.

Gas production during the second quarter of 1998 totaled 3.6 billion cubic feet and generated $8.3 million in revenues compared to 3.1 billion cubic feet and $6.5 million in revenues during the same period in 1997. The average sales price for the second quarter of 1998 averaged $2.28 per thousand cubic feet compared to $2.13 per thousand cubic feet at this time last year. When compared to the same quarter last year, the Company had increased gas production by 11%. Production increases as a result of acquisitions, a new discovery and the recompletion of an existing well were partially offset by expected production declines in the other properties.

The following table summarizes oil and gas production from the Company's major producing properties for the comparable periods.

	Oil Production (Barrels) Three Months Ended June 30, 1998	1997	Gas Production (Mcf) Three Months Ended June 30, 1998	1997
Mobile Block 864 Area	--	--	1,006,000	--
Chandeleur Block 40	--	--	682,000	1,078,000
Main Pass 163	--	--	531,000	1,206,000
Mobile Block 952/953	--	--	384,000	--
Main Pass 31	11,000	--	304,000	--
Main Pass 164/165	--	--	305,000	139,000
North Dauphin Island Field	--	--	180,000	368,000
Black Bay	17,000	46,000	--	--
Escambia Mineral properties	37,000	43,000	61,000	69,000
Other properties	17,000	19,000	187,000	197,000
Total	82,000	108,000	3,640,000	3,057,000

Lease Operating Expenses

Lease operating expenses, excluding severance taxes, for the three-month period ending June 30, 1998 were $1.9 million compared to $1.4 million for the same period in 1997. This increase is associated with the producing properties which were acquired during the second half of 1997. Severance taxes for the second quarter of 1998 and 1997 were $0.3 million and $0.4 million, respectively.

Depreciation, Depletion and Amortization

Depreciation, depletion and amortization for the three months ending June 30, 1998 and 1997 was $4.9 million and $3.8 million, respectively, reflecting the increase in the rate per Mcf equivalent and increased production volumes.

General and Administrative

General and administrative expense for the three months ended June 30, 1998 was $1.2 million compared to $1.4 million for the three months ended June 30, 1997.

Interest Expense

Interest expense increased from $99,000 during the three months ended June 30, 1997 to $332,000 during the three months ended June 30, 1998 reflecting the increase in the Company's long-term debt.

Comparison of Results of Operations for the Six Months Ended June 30, 1998 and the Six Months Ended June 30, 1997.

Oil and Gas Production and Revenues

For the six months ended June 30, 1998, total oil and gas revenues decreased by $.5 million, or 3%, to $20.3 million when compared to $20.8 million for the same period in 1997.

For the six months ending June 30, 1998, oil production and oil revenues decreased to 193,000 barrels and $2.5 million, respectively. For the comparable period in 1997, oil production was 237,000 barrels while revenues totaled $4.6 million. Oil prices during the first six months of 1998 averaged $13.06, compared to $19.36 for the same period in 1997.

Natural gas production and revenue for the six-month period ending June 30, 1998 were 7.7 billion cubic feet and $17.8 million, respectively, increasing from 6.4 billion cubic feet and gas revenues of $16.3 million in the first six months of 1997. The average sales price for natural gas in the first six months in 1998 was $2.32 per Mcf, a $0.20 per Mcf decrease over the same period in 1997. When compared to the six-month period last year, the Company had a net increase in gas production of 12%. Production increases as a result of acquisitions, a new discovery and the recompletion of an existing well were partially offset by expected production declines in the other properties.

The following table summarizes oil and gas production from the Company's major producing properties for the comparable periods.

	Oil Production (Barrels) Six Months Ended June 30,		Gas Production (Mcf) Six Months Ended June 30,	
	1998	1997	1998	1997
Mobile Block 864 Area	--	--	2,151,000	--
Chandeleur Block 40	--	--	1,461,000	2,251,000
Main Pass 163	--	--	1,190,000	2,477,000
Mobile Block 952/953	--	--	753,000	--
Main Pass 31	27,000	--	648,000	--
Main Pass 164/165	--	--	616,000	270,000
North Dauphin Island Field	--	--	403,000	826,000
Black Bay	57,000	93,000	--	--
Escambia Mineral properties	80,000	94,000	135,000	152,000
Other properties	29,000	50,000	319,000	472,000
Total	193,000	237,000	7,676,000	6,448,000

Lease Operating Expenses

Lease operating expenses, excluding severance taxes, for the first half of 1998 increased by 2% to $3.5 million from $3.4 million for the 1997 comparable period. This increase is primarily the result of expenses associated with the new producing properties. Severance taxes decreased by 24% to $0.6 million during the first six months of 1998 from $0.7 million for the same period in 1997 as a result of production declines in the Company's onshore properties, property sales and lower oil and gas sales prices.

Depreciation, Depletion and Amortization

Depreciation, depletion and amortization for the first six months of 1998 was $10.5 million, or $1.18 per Mcf equivalent. For the same period in 1997, the total was $7.6 million and $0.96 per Mcf equivalent. This increase is the result of an increased rate per Mcf equivalent and increased production.

General and Administrative

During the first six months of 1998, general and administrative expenses increased by 15% to $2.7 million compared to $2.4 million for the six-month period in 1997. Increased executive compensation expenses and the loss of management fees, as a result of property sales, combined to produce this overall increase.

Interest Expense

Interest expense during the first half of 1998 was $983,000 and compares to $210,000 for the first half of 1997. This increase is a result of the increase in the Company's long-term debt.

CALLON PETROLEUM COMPANY

PART II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders.

The Company's annual meeting was held on May 28, 1998, at which three Class I directors were elected and the appointment of Arthur Andersen LLP as the Company's independent public accountants for the year ending December 31, 1998 was ratified.

The nominees for director were Messrs. Robert A. Stanger, John C. Wallace and Richard O. Wilson. Mr. Stanger received 6,654,043 votes for, 13,170 votes against or withheld and no votes abstained. Mr. Wallace received 6,559,469 votes for, 7,744 votes against or withheld and no votes abstained. Mr. Wilson received 6,559,471 votes for, 7,742 votes against or withheld and no votes abstained.

The ratification of Arthur Andersen LLP received 6,557,624 votes for, 4,296 votes against or withheld and 5,293 votes abstained.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits.

2. Plan of acquisition, reorganization, arrangement, liquidation or succession*

3. Articles of Incorporation and By-Laws

3.1 Certificate of Incorporation of the Company, as amended (incorporated by reference from Exhibit 3.1 of the

Company's Registration Statement on Form S-4, Reg. No. 33-82408)

3.2 Certificate of Merger of Callon Consolidated Partners, L. P. with and into the Company dated September 16, 1994 (incorporated by reference from Exhibit 3.2 of the Company's Report on Form 10-K for the period ended December 31, 1994)

3.3 Bylaws of the Company (incorporated by reference from Exhibit 3.2 of the Company's Registration Statement on Form S-4, Reg. No. 33-82408)

4. Instruments defining the rights of security holders, including indentures

4.1 Specimen stock certificate (incorporated by reference from Exhibit 4.1 of the Company's Registration Statement on Form S-4, Reg. No. 33-82408)

4.2 Specimen Preferred Stock Certificate (incorporated by reference from Exhibit 4.2 of the Company's Registration Statement on Form S-1, Reg. No. 33-96700)

4.3 Designation for Convertible Exchangeable Preferred Stock, Series A (incorporated by reference from Exhibit 4.3 of the Company's Report on Form 10-K for the period ended December 31, 1995)

4.4 Indenture for Convertible Debentures (incorporated by reference from Exhibit 4.4 of the Company's Report on Form 10-K for the period ended December 31, 1995)

4.5 Certificate of Correction on Designation of Series A Preferred Stock (incorporated by reference from Exhibit 4.4 of the Company's Registration Statement on Form S-1/A filed November 22, 1996, Reg. No. 333-15501)

4.6 Form of Note Indenture (incorporated by reference from Exhibit 4.6 of the Company's Registration Statement on Form S-1/A filed November 22, 1996, Reg. No. 333-15501)

9. Voting trust agreement*

10. Material contracts

10.1 Contingent Share Agreement dated September 16, 1996 between the Company and the Callon Stockholders (incorporated by reference from Exhibit 10.1 of the Company's Registration Statement on Form 8-B filed October 3, 1994)

10.2 Registration Rights Agreement dated September 16, 1994 between the Company and NOCO Enterprises, L. P. (incorporated by reference from Exhibit 10.2 of the Company's Registration Statement on Form 8-B filed October 3, 1994)

10.3 Registration Rights Agreement dated September 16, 1994 between the Company and Callon Stockholders (incorporated by reference from Exhibit 10.3 of the Company's Registration Statement on Form 8-B filed October 3, 1994)

10.4 Employment Agreement dated September 16, 1994 between the Company and Fred L. Callon (incorporated by reference from Exhibit 10.4 of the Company's Registration Statement on Form 8-B filed October 3, 1994)

10.5 Callon Petroleum Company 1994 Stock Incentive Plan (incorporated by reference from Exhibit 10.5 of the Company's Registration Statement on Form 8-B filed October 3, 1994)

10.6 Employment Agreement effective January 1, 1995, between the Company and Dennis W. Christian (incorporated by reference from Exhibit 10.6 of the Company's Form 10-K for the period ended December 31, 1995)

10.7 Credit Agreement dated October 14, 1994 by and between the Company, Callon Petroleum Operating Company and Internationale Nederlanden (U.S.) Capital Corporation (incorporated by reference from Exhibit 99.1 of the Company's Report on Form 10-Q for the quarter ended September 30, 1994)

10.8 Employment Agreement effective January 1, 1995, between the Company and John S. Weatherly (incorporated by reference from Exhibit 10.8 of the Company's Registration Statement on Form S-1, Reg. No. 33-96700)

10.9 Third Amendment dated February 22, 1996, to Credit Agreement by and among Callon Petroleum Operating Company, Callon Petroleum Company and Internationale Nederlanden (U.S.) Capital Corporation (incorporated by reference from Exhibit 10.9 of the Company's report on Form 10-K for the period ended December 31, 1995)

10.10 Consulting Agreement between the Company and John S. Callon dated June 19, 1996 (incorporated by reference from Exhibit 10.10 of the Company's Registration Statement on Form S-1, filed November 5, 1996, Reg. No. 333-15501)

10.11 Callon Petroleum Company 1996 Stock Incentive Plan (incorporated by reference from Exhibit 10.6 of the Company's Registration Statement on Form S-1/A, filed November 14, 1996, Reg. No. 333-15501)

10.12 Employment Agreement effective September 1, 1996, between the Company and Fred L. Callon (incorporated by reference from Exhibit 10.4 of the Company's Registration Statement on Form S-1/A, filed November 14, 1996, Reg. No. 333-15501)

10.13 Employment Agreement effective September 1, 1996, between the Company and Dennis W. Christian (incorporated by reference from Exhibit 10.7 of the Company's Registration Statement on Form S-1/A, filed November 14, 1996, Reg. No. 333-15501)

10.14 Employment Agreement effective September 1, 1996, between the Company and John S. Weatherly (incorporated by reference from Exhibit 10.8 of the Company's Registration Statement on Form S-1/A, filed November 14, 1996, Reg. No. 333-15501)

10.15 Callon Petroleum Company 1996 Stock Incentive Plan (incorporated by reference from Exhibit 4.2 of the Company's Registration Statement on Form S-8, Reg. No. 333-29537)

10.16 Callon Petroleum Company 1997 Employee Stock Purchase Plan (incorporated by reference from Exhibit 4.2 of the Company's Registration Statement on Form S-8, Reg. No. 333-29529)

11. Statement re computation of per share earnings*

15. Letter re unaudited interim financial information*

18. Letter re change in accounting principles*

19. Report furnished to security holders*

22. Published report regarding matters submitted to vote of security holders*

23. Consents of experts and counsel*

24. Power of attorney*

27. Financial Data Schedule*

99. Additional exhibits*

(b) Reports on Form 8-K and 8-K/A.

None.

* Inapplicable to this filing

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CALLON PETROLEUM COMPANY

Date August 12, 1998 By /s/ John S. Weatherly
John S. Weatherly, Senior Vice President,
Chief Financial Officer and Treasurer

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THE FINANCIAL DATA SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS OF CALLON PETROLEUM COMPANY FOR THE PERIOD ENDING JUNE 30, 1998 WHICH ARE PRESENTED IN ITS QUARTERLY REPORT ON FORM 10Q AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
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