WATSON ROBERT L G

Form 4

March 19, 2009

FORM 4

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

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 *

WATSON ROBERT L G

2. Issuer Name and Ticker or Trading

Symbol

ABRAXAS PETROLEUM CORP

[AXAS]

(Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year)

18803 MEISNER DRIVE 03/17/2009

(Street)

3.

4. If Amendment, Date Original

Filed(Month/Day/Year)

Form filed by More than One Reporting Person

SAN ANTONIO, TX 78258

(City)

(Zip)

(State)

1.Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) (Instr. 3)

Execution Date, if (Month/Day/Year)

TransactionAcquired (A) or Code (Instr. 8)

Disposed of (D) (Instr. 3, 4 and 5)

4. Securities

Owned Following Reported (A) Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

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 Conversion Security

or Exercise

3. Transaction Date 3A. Deemed

(Month/Day/Year) Execution Date, if any

4. 5. Number of **Transaction**Derivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amou Underlying Securi (Instr. 3 and 4)

OMB APPROVAL

3235-0287

January 31,

2005

0.5

OMB

Number:

Expires:

response...

5. Relationship of Reporting Person(s) to

(Check all applicable)

President/CEO

6. Ownership

Form: Direct

(D) or Indirect Beneficial

6. Individual or Joint/Group Filing(Check

X Form filed by One Reporting Person

(T)

(Instr. 4)

10% Owner

Other (specify

7. Nature of

Ownership

(Instr. 4)

Indirect

Issuer

below)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

5. Amount of

Securities

Beneficially

Director

Applicable Line)

X_ Officer (give title

Estimated average

burden hours per

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8) Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			f (D)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Am Nu Sha
Employee Stock Option	\$ 0.99	03/17/2009		A		125,000		03/17/2010(1)	03/17/2019	Abraxas Petroleum Common Stock	12

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

WATSON ROBERT L G 18803 MEISNER DRIVE SAN ANTONIO, TX 78258

President/CEO

Signatures

Robert L.G. 03/19/2009 Watson

**Signature of Date
Reporting Person

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) Options vest 25% per year over four years beginning 3/17/2010.

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.

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