

WILLIAMS DARRELL W
 Form 4
 February 15, 2008

FORM 4

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

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).

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 *
WILLIAMS DARRELL W

2. Issuer Name and Ticker or Trading Symbol
CONTANGO OIL & GAS CO [MCF]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 3700 BUFFALO
 SPEEDWAY, SUITE 960

3. Date of Earliest Transaction (Month/Day/Year)
 02/13/2008

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

(Street)
 HOUSTON, TX 77098

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

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|-----|-------|
| | | | | (A) or (D) | Code | V | Amount | (D) | Price |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative | 2. Conversion | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if | 4. Transaction of | 5. Number of Derivative | 6. Date Exercisable and Expiration Date | 7. Title and Amount of Underlying Securities | 8. |
|------------------------|---------------|--------------------------------------|-------------------------------|-------------------|-------------------------|---|--|----|
|------------------------|---------------|--------------------------------------|-------------------------------|-------------------|-------------------------|---|--|----|

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| Security (Instr. 3) | or Exercise Price of Derivative Security | any (Month/Day/Year) | Code (Instr. 8) | Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | (Month/Day/Year) | | (Instr. 3 and 4) | | S |
|-----------------------------|--|----------------------|-----------------|---|------------------|-----------------|------------------|----------------------------|----|
| | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | (I |
| Stock Option (Right to buy) | \$ 6.68 | 02/13/2008 | D | 1,000 | 09/30/2004 | 09/30/2009 | Common Stock | 1,000 | \$ |
| Stock Option (Right to buy) | \$ 7.24 | 02/13/2008 | D | 1,000 | 12/31/2004 | 12/31/2009 | Common Stock | 1,000 | \$ |
| Stock Option (Right to buy) | \$ 8.35 | 02/13/2008 | D | 1,000 | 03/31/2005 | 03/31/2010 | Common Stock | 1,000 | \$ |
| Stock Option (Right to buy) | \$ 9.2 | 02/13/2008 | D | 1,000 | 06/30/2005 | 06/30/2010 | Common Stock | 1,000 | \$ |
| Stock Option (Right to buy) | \$ 12.04 | 02/13/2008 | D | 3,000 | 09/30/2005 | 09/30/2010 | Common Stock | 3,000 | \$ |
| Stock Option (Right to buy) | \$ 11.44 | 02/13/2008 | D | 3,000 | 12/31/2005 | 12/31/2010 | Common Stock | 3,000 | \$ |
| Stock Option (Right to buy) | \$ 12.95 | 02/13/2008 | D | 2,000 | 03/31/2006 | 03/31/2011 | Common Stock | 2,000 | \$ |
| Stock Option (Right to buy) | \$ 14.14 | 02/13/2008 | D | 2,000 | 06/30/2006 | 06/30/2011 | Common Stock | 2,000 | \$ |
| Stock Option (Right to buy) | \$ 11.8 | 02/13/2008 | D | 2,000 | 09/30/2006 | 09/30/2011 | Common Stock | 2,000 | \$ |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| WILLIAMS DARRELL W 3700 BUFFALO SPEEDWAY SUITE 960 HOUSTON, TX 77098 | X | | | |

Signatures

| | |
|--|---------------------|
| Sergio Castro, Attorney-in-Fact for Darrell W. Williams | 02/15/2008 |
| <small>**Signature of Reporting Person</small> | <small>Date</small> |

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) These options were cancelled by mutual agreement of the reporting person and Contango Oil & Gas Company. The reporting person received \$59,710 as consideration for the cancellation.
 - (2) These options were cancelled by mutual agreement of the reporting person and Contango Oil & Gas Company. The reporting person received \$59,150 as consideration for the cancellation.
 - (3) These options were cancelled by mutual agreement of the reporting person and Contango Oil & Gas Company. The reporting person received \$58,040 as consideration for the cancellation.
 - (4) These options were cancelled by mutual agreement of the reporting person and Contango Oil & Gas Company. The reporting person received \$57,190 as consideration for the cancellation.
 - (5) These options were cancelled by mutual agreement of the reporting person and Contango Oil & Gas Company. The reporting person received \$163,050 as consideration for the cancellation.
 - (6) These options were cancelled by mutual agreement of the reporting person and Contango Oil & Gas Company. The reporting person received \$164,850 as consideration for the cancellation.
 - (7) These options were cancelled by mutual agreement of the reporting person and Contango Oil & Gas Company. The reporting person received \$106,880 as consideration for the cancellation.
 - (8) These options were cancelled by mutual agreement of the reporting person and Contango Oil & Gas Company. The reporting person received \$104,500 as consideration for the cancellation.
 - (9) These options were cancelled by mutual agreement of the reporting person and Contango Oil & Gas Company. The reporting person received \$109,180 as consideration for the cancellation.

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.