

CONTANGO OIL & GAS CO
Form 4
May 25, 2010

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 *
REIMER CHARLES M

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)

3. Date of Earliest Transaction (Month/Day/Year)
05/21/2010

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

3700 BUFFALO SPEEDWAY,
SUITE 960

(Street)

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

HOUSTON, TX 77098

(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 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	05/21/2010		S		22,225	D	\$ 50
					128,480		
Common Stock	05/24/2010		S		22,540	D	\$ 49.3
					105,940		

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

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(9-02)

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The number of shares of MCF common stock to be delivered to the buyer on the maturity date is to be determined as follows: (a) if the average of the closing price of MCF common stock on the 20 days immediately preceeding the maturity date (the "Settlement Price") is less than or equal to \$44.45 (the "Initial Share Price"), the reporting person will deliver to the buyer all of the Pledged Shares; (b) if the Settlement Price is between the Initial Price and \$57.78 (the "Cap Price"), the reporting person will deliver to the buyer a number of shares of MCF common stock having a value (based on the then market price) equal to \$4,444,920; and (c) if the Settlement Price is greater than the Cap Price, the reporting person will retain a number of shares of MCF common stock having a value (based on the then market price) equal to \$1,333,480, and will deliver to the buyer the balance of the 100,000 shares of MCF common stock.

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.