

HALLADOR PETROLEUM CO

Form 4

October 08, 2008

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
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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
burden hours per
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
Martin Lawrence D

2. Issuer Name **and** Ticker or Trading
Symbol
HALLADOR PETROLEUM CO
[HPCO]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

215 TIMBERLINE DR

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
10/06/2008

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

CFO-SUNRISE COAL LLC

GEORGETOWN, IL 61846

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
X 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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
common stock, par value \$.01	10/06/2008		P	1,000 A \$ 3.5	15,000	D	
common stock, par value \$.01	10/06/2008		M	15,000 (1) (2) A \$ 2.85	30,000 (1) (2)	D	
common stock, par value \$.01	10/06/2008		F	5,000 (2) A \$ 2.85	25,000 (2)	D	

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

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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 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)	8. P Der Sec (Ins
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Unit	\$ 2.85	10/06/2008		M	15,000	<u>(1)</u>	<u>(1)</u>	common stock, par value \$.01	15,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Martin Lawrence D 215 TIMBERLINE DR GEORGETOWN, IL 61846	CFO-SUNRISE COAL LLC

Signatures

Victor P. Stabio - attorney-in-fact for Lawrence D. Martin 10/08/2008

__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) Vesting for these Restricted Stock Units was accelerated and were fully vested on October 6, 2008. Accordingly, shares of restricted common stock were issued upon vesting.
- (2) Of the 15,000 shares that were vested on October 6, 2008, Mr. Martin elected to have 5,000 shares of stock withheld to pay federal tax. Mr. Martin received 10,000 shares after tax. Stock price on day of vesting and issuance was \$2.85 per share.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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