

MAGELLAN PETROLEUM CORP /DE/
 Form 4
 July 06, 2011

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 *
PETTIROSSI RONALD

2. Issuer Name and Ticker or Trading Symbol
MAGELLAN PETROLEUM CORP /DE/ [MPET]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
9024 ENGLEWOOD COURT
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
07/01/2011

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

VERO BEACH, FL 32963
 (City) (State) (Zip)

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

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 (D) Price			
Common Stock (1) (2)	07/01/2011		M	21,875 (3) A \$ 1.6	113,875 (4)	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)

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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 Security (Instr. 3 and 4)	8. Amount or Number of Shares
Non-qualified Stock option (right to buy) <u>(1)</u> <u>(2)</u>	\$ 1.6	07/01/2011		M	21,875 <u>(3)</u>	11/28/2005 11/28/2015	Common Stock	21,875

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PETTIROSSI RONALD 9024 ENGLEWOOD COURT VERO BEACH, FL 32963			X	

Signatures

/s/ Ronald Pettirossi by Edward B. Whittemore,
attorney-in-fact

07/06/2011

__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) Prior to July 1, 2011, the Company's non-employee director compensation policy ("Policy") provided for an annual award of the Company's common stock under Section 9 of the Company's 1998 Stock Incentive Plan ("Plan") with a value equal to \$35,000 to be made to each non-employee director on either July 1, 2011 or the date of the annual shareholder meeting held during each Company fiscal year, subject to a cap of 15,000 shares (the difference in value between the shares and \$35,000 to be in cash) ("Stock Award").
- (2) On July 1, 2011, the Company's Board of Directors ("Board"), upon recommendation of the Compensation, Nominating and Governance Committee ("Committee"), amended the Policy to provide for either a Stock Award or a \$35,000 cash award to exercise previously issued Company stock options under the Plan ("Cash Award"). To the extent that a Cash Award is elected by a director, the director must exercise options which are at least equal to the value of shares that would have been received had the director elected to receive a Stock Award (rounded up to the nearest whole option). Any difference between this amount and \$35,000 is paid in cash.
- (3) On July 1, 2011, the Board, upon recommendation of the Committee, approved the granting of either a Stock Award or Cash Award to each of the non-employee directors. Mr. Pettirossi elected to receive a Cash Award and exercised 21,875 options the value of which exceeded that of the 15,000 shares which he would have been eligible to receive pursuant to a Stock Award. The fair market value of a share of the Company's common stock on July 1, 2011, was \$1.68, calculated in accordance with the Plan.
- (4) As a result of the option exercise, Mr. Pettirossi increased his direct ownership in the Company's common stock from 92,000 shares to 113,875 shares.
- (5) As previously reported via Form 4 dated December 16, 2010, Mr. Pettirossi also beneficially owns 25,000 non-qualified stock options with an exercise price of \$2.24 and an expiration date of 04/01/20.

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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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