

Begley William E
 Form 4
 February 12, 2010

FORM 4

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

OMB APPROVAL

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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 *
 Begley William E

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)
 7 CUSTOM HOUSE STREET
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/10/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Chief Financial Officer

PORTLAND, ME 04101

(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 Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership Indirect Beneficial 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.

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

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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) | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amo Num Shar |
|---|------------------------------------|------------------|------------|---|------|---|---------|-----|---------------------|--------------------|-----------------|--------------------|
| Non-qualified stock option (right to buy) <u>(1)</u> | \$ 1.63 | 02/10/2010 | | | A | | 533,333 | | <u>(2)</u> | 02/10/2020 | Common Stock | 533 |
| Non-qualified stock option (right to buy) <u>(1)</u> | \$ 1.63 | 02/10/2010 | | | A | | 177,778 | | <u>(3)</u> | 02/10/2020 | Common Stock | 177 |
| Non-qualified stock option (right to buy) <u>(1)</u> | <u>(4)</u> | 02/10/2010 | | | A | | 88,889 | | <u>(4)</u> | 02/10/2020 | Common Stock | 88 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Begley William E 7 CUSTOM HOUSE STREET PORTLAND, ME 04101 | | | Chief Financial Officer | |

Signatures

/s/ William E. Begley, Jr. by Edward B. Whittemore,
attorney-in-fact

02/12/2010

 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) On February 10, 2010, the reporting person was awarded three non-qualified stock options pursuant to the Company's 1998 Stock Incentive Plan in three Tranches (A, B and C), which options cover an aggregate of 800,000 shares of the Company's Common Stock.

The Tranche A time-based options awarded on February 10, 2010 cover 533,333 shares of Common Stock, have an exercise price of \$1.63 per share and vest as follows: 177,778 shares vest in full on February 10, 2011, 177,778 shares vest in full on February 10, 2012, and 177,777 shares vest in full on February 10, 2013.

(2) The Tranche B performance-based options awarded on February 10, 2010 cover 177,778 shares of Common Stock, have an exercise price of \$1.63 per share and vest in full upon completion of the sale of Company securities in one or more equity capital raising transactions (including convertible debt) that result in aggregate net proceeds to the Company of not less than one hundred million dollars (\$100,000,000).

(3) The Tranche C performance-based options awarded on February 10, 2010 cover 88,889 shares of Common Stock and shall vest in full upon the Board's determination of the attainment of a performance condition in Section 2(e) of the Tranche C Option Award Agreement. The Tranche C options will have an exercise price per share equal to the "fair market value" of a share of Common Stock on the date of

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the Board's determination that the performance vesting condition has been satisfied.

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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