

ABRAXAS PETROLEUM CORP
 Form 4
 March 26, 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 *
WALLACE WILLIAM H

2. Issuer Name and Ticker or Trading Symbol
**ABRAXAS PETROLEUM CORP
 [AXAS]**

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

(Last) (First) (Middle)
18803 MEISNER DRIVE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
03/16/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
VP - Operations

SAN ANTONIO, TX 78258
 (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 (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 Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--------------|--|---|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--------------|--|---|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
|-----------------------|------------------------------|------------------|--|------|---|-----|-----|---------------------------|-----------------|--------------------------------|----------------------------|
| Employee Stock Option | \$ 2.09 | | | | | | | 03/16/2011 ⁽¹⁾ | 03/16/2020 | Abraxas Common Stock | 60,000 |
| Employee Stock Option | \$ 1.75 | | | | | | | 10/05/2010 | 10/05/2019 | Abraxas Petroleum Common Stock | 66,937 |
| Employee Stock Option | \$ 0.99 | | | | | | | 03/17/2010 | 03/17/2019 | Abraxas Petroleum Common Stock | 50,000 |
| Employee Stock Option | \$ 3.6 | | | | | | | 08/28/2011 | 08/28/2017 | Abraxas Petroleum Common Stock | 18,920 |
| Employee Stock Option | \$ 4.59 | | | | | | | 09/13/2009 | 09/15/2015 | Abraxas Petroleum Common Stock | 50,000 |
| Employee Stock Option | \$ 0.68 | | | | | | | 04/24/2007 | 04/24/2013 | Abraxas Petroleum Common Stock | 15,000 |
| Employee Stock Option | \$ 0.65 | | | | | | | 11/22/2006 | 11/22/2012 | Abraxas Petroleum Common Stock | 22,000 |
| Employee Stock Option | \$ 0.66 | | | | | | | 03/23/2005 | 03/23/2011 | Abraxas Petroleum Common Stock | 15,000 |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

WALLACE WILLIAM H
18803 MEISNER DRIVE
SAN ANTONIO, TX 78258

VP - Operations

Signatures

William H.
Wallace

03/26/2010

**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) Options vest at 25% per year beginning one year after grant.

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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