

CALPINE CORP
Reported by
**ELIZABETH R. & WILLIAM J. PATTERSON
FOUNDATION**

FORM 4
(Statement of Changes in Beneficial Ownership)

Filed 10/28/08 for the Period Ending 10/24/08

| | |
|-------------|---|
| Address | 717 TEXAS AVENUE SUITE 1000 HOUSTON, TX 77002 |
| Telephone | 7138302000 |
| CIK | 0000916457 |
| Symbol | CPN |
| SIC Code | 4911 - Electric Services |
| Industry | Electric Utilities |
| Sector | Utilities |
| Fiscal Year | 12/31 |

FORM 4

[] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

OMB APPROVAL
OMB Number: 3235-0287
Expires: February 28, 2011
Estimated average burden hours per response... 0.5

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(f) of the
Investment Company Act of 1940

| | | |
|---|---|--|
| 1. Name and Address of Reporting Person * | 2. Issuer Name and Ticker or Trading Symbol | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) |
| SPO ADVISORY CORP | CALPINE CORP [CPN] | <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner |
| (Last) (First) (Middle) | 3. Date of Earliest Transaction (MM/DD/YYYY) | <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) |
| 591 REDWOOD HIGHWAY, SUITE 3215, | 10/24/2008 | |
| (Street) | 4. If Amendment, Date Original Filed (MM/DD/YYYY) | 6. Individual or Joint/Group Filing (Check Applicable Line) |
| MILL VALLEY, CA 94941 | | <input type="checkbox"/> Form filed by One Reporting Person |
| (City) (State) (Zip) | | <input checked="" type="checkbox"/> 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. Trans. Date | 2A. Deemed Execution Date, if any | 3. Trans. 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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|----------------|-----------------------------------|---------------------------|---|---|------------|---------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 10/24/2008 | | P | | 642400 | A | \$10.52 | 91617614 | I (1) (2) (3) (4) (5) | See footnotes |
| Common Stock | 10/24/2008 | | P | | 146800 | A | \$11.17 | 91764061 | I | See footnotes |

Table II - Derivative Securities Beneficially Owned (e.g. , puts, calls, warrants, options, convertible securities)

| 1. Title of Derivate Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Trans. Date | 3A. Deemed Execution Date, if any | 4. Trans. 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 | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction (s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|----------------|-----------------------------------|---------------------------|---|--|---|-----------------|---|----------------------------|--|---|--|--|
| | | | | Code | V | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |

Explanation of Responses:

- (1) The entities directly acquiring the shares reported in this filing and related filings today are SPO Partners II, L.P. ("SPO Partners"), which bought 1,357,100 shares, the Elizabeth R. & William J. Patterson Foundation ("WJPFND") which bought 11,700 shares, and Edward H. McDermott ("EHM") who bought 400 shares. The range of prices for the purchases on 10/24/08, reported in Line 1 above, was \$9.81-\$10.80. The range of prices for the purchases on 10/24/08, reported in Line 2 above, was \$10.81-\$11.70. (full detailed information regarding the shares purchased at each price will be provided upon request).
- (2) As a result of the purchases causing this filing and related filings today, and as a result of the conversion of debt instruments to common stock upon the issuer's emergence from bankruptcy, 83,978,608 shares are owned directly by SPO Partners, and may be deemed to be indirectly beneficially owned by (i) SPO Advisory Partners, L.P. ("SPO Advisory"), the sole general partner of SPO Partners, (ii) SPO Advisory Corp. ("SPO Corp."), the sole general partner of SPO Advisory, and (iii) John H. Scully ("JHS"), William E. Oberndorf ("WEO"), William J. Patterson ("WJP") & EHM, the four controlling persons of SPO Corp. Additionally, 5,150,500 shares are owned directly by SPO Partners II Co-Investment Partnership, L.P. ("SPO Co-Invest"), and may be deemed to be indirectly beneficially owned by (i) SPO Advisory, the sole general partner of SPO Co-Invest, (ii) SPO Corp, the sole general partner of SPO Advisory, and (iii) JHS, WEO, WJP and EHM, the four controlling persons of SPO Corp.

- (3) Additionally, 3,204,753 shares are owned directly by San Francisco Partners II, L.P. ("SF Partners"), and may be deemed to be indirectly beneficially owned by (i) SF Advisory Partners, L.P. ("SF Advisory"), the sole general partner of SF Partners, (ii) SPO Corp., the sole general partner of SF Advisory, and (iii) JHS, WEO, WJP and EHM, the four controlling persons of SPO Corp. Additionally, as a result of the purchases causing this filing and related filings today, WJPFND owns 61,500 shares, JHS owns 6,100 shares in his IRAs, which are self-directed, WEO owns 34,900 shares in his IRA, which is self-directed, WJP owns 1,600 shares in his IRA, which is self-directed and EHM owns 2,200 shares in his IRA, which is self-directed.
- (4) Additionally, 5,029 shares of restricted stock and 2,720 restricted stock units are owned by WJP, a director of the Issuer. Pursuant to the partnership agreement governing SPO Partners, these shares may be deemed to be indirectly beneficially owned by SPO Partners together with any profits arising therefrom.
- (5) Additionally, the shares represented in Column 5 above may be deemed to be indirectly beneficially owned by J. Stuart Ryan ("JSR"), solely in his advisory capacity to SPO Corp. Additionally, 5,029 shares of restricted stock are owned by JSR, a director of the Issuer.

Remarks:

Form 1 of 2.

The individuals listed in the notes above (each a "Reporting Person") may be deemed to form a "group", as such term is defined in Rule 13d-5(b)(1) promulgated under the Securities Exchange Act of 1934, for purposes of this filing. This filing shall not be deemed as an admission by any Reporting Person that such person is, for purposes of Section 16 of the Securities Exchange Act of 1934 or otherwise, the beneficial owner of any equity securities covered by this statement. Each Reporting Person disclaims beneficial ownership of the reported securities except to the extent of such person's pecuniary interest, if any, therein.

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| SPO ADVISORY CORP 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941 | | X | | |
| SCULLY JOHN H 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941 | | X | | |
| OBERNDORF WILLIAM E 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941 | | X | | |
| MCDERMOTT EDWARD H 591 REDWOOD HIGHWAY , SUITE 3215 MILL VALLEY, CA 94941 | | X | | |
| RYAN J. STUART 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941 | X | X | | |
| PATTERSON WILLIAM J 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941 | X | X | | |
| Elizabeth R. & William J. Patterson Foundation 591 REDWOOD HIGHWAY SUITE 3215 MILL VALLEY, CA 94941 | | X | | |

Signatures

Kim M. Silva, Attorney-in-Fact

10/28/2008

** Signature of Reporting Person

Date

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

* 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).

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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