

ASPEN EXPLORATION CORP
 Form 4
 March 12, 2008

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 *
BAILEY ROBERT V

2. Issuer Name and Ticker or Trading Symbol
**ASPEN EXPLORATION CORP
 [ASPEN]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)
09/30/2008

Director 10% Owner
 Officer (give title below) Other (specify below)
Chief Executive Officer and VP

**C/O ASPEN EXPLORATION
 CORP, 2050 S ONEIDA ST SUITE
 208**

(Street)

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

DENVER, CO 80224-2426

(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)
				(A) or (D) Code V Amount (D) Price			
Common Stock - \$.005 Par Value					1,241,776	D	
Common Stock - \$.005 Par Value					32,000	I	By Trust
Common Stock -					16,320	I ⁽¹⁾	By Wife

\$.005 Par
Value

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

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(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)	
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option	\$ 2.67					01/01/2006	01/01/2010	Common	65,000
Option (2)	\$ 2.14	02/27/2008		A	200,000	09/30/2008	02/27/2013	Common	200,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BAILEY ROBERT V C/O ASPEN EXPLORATION CORP 2050 S ONEIDA ST SUITE 208 DENVER, CO 80224-2426	X	X	Chief Executive Officer and VP	

Signatures

/s/ R. V. Bailey 03/10/2008

**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) These shares are owned by Mieko Nakamura Bailey (wife).

(2) Options granted pursuant to the Aspen Exploration Corporation 2008 Equity Plan. These options vest on a pro-rata basis on September 30, 2008, September 30, 2009, and September 30, 2010 but only upon the Company's achievement of specific performance goals defined in the recipient's stock option agreement. This transaction is exempt from Section 16(b) pursuant to Rule 16b-3(d) and is not yet subject to mandatory reporting inasmuch as the number of options that will actually vest is not yet determinable.

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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