

Hensman Kevan Byron
 Form 4
 February 19, 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 *
 Hensman Kevan Byron

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)
 02/17/2010

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

C/O ASPEN EXPLORATION CORPORATION, 2050 S. ONEIDA STREET 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 | | |

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

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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 Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| Option <u>(1)</u> | \$ 3.7 | | | | | 09/11/2006 09/11/2011 | Common Stock 10,000 |
| Option <u>(2)</u> | \$ 2.14 | | | | | 09/30/2008 ⁽²⁾ 02/27/2013 | Common Stock <u>(2)</u> 33,333 |
| Options <u>(3)</u> | \$ 0.4125 | 02/17/2010 | | A | 75,000 | <u>(3)</u> 02/15/2015 | Common Stock 75,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Hensman Kevan Byron C/O ASPEN EXPLORATION CORPORATION 2050 S. ONEIDA STREET SUITE 208 DENVER, CO 80224-2426 | X | | Chief Financial Officer and VP | |

Signatures

/s/ Kevan B. Hensman
Date: 02/18/2010

**Signature of Reporting Person

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) This transaction is exempt from Section 16(b) pursuant to Rule 16b-3(d).
On February 27, 2008 Mr. Hensman was granted an option to purchase 100,000 of common stock pursuant to the 2008 Equity Plan. 1/3 of the shares were to vest on each September 30, of 2008, 2009, and 2010 if certain performance criteria are met. On September 30, 2008,
- (2) 18,210 of the options were deemed earned, and 15,213 were deemed unearned; on September 30, 2009 33,333 of the options were deemed unearned; and 33,333 remain unvested and will only vest if certain company performance objectives are met during the 2010 fiscal year. The unvested options are not yet subject to the reporting requirements.
- Options granted pursuant to the 2008 Equity Plan. This transaction is exempt from Section 16(b) pursuant to Rule 16b-3(d) and is not yet
- (3) subject to mandatory reporting because these options do not vest unless and until there is a "change of control" event with respect to Aspen.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.