

TETON ENERGY CORP
Form 8-K
January 12, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 12, 2007 (January 8, 2007)

TETON ENERGY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State of incorporation)

001-31679
(Commission File No.)

84-1482290
(IRS Employer
Identification No.)

**410 17th Street, Suite 1850
Denver, CO 80202**

(Address of principal executive offices, including zip code)

(303) 565-4600
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 1 -Registrant s Business and Operations

Item 1.01 Entry Into a Material Definitive Agreement.

On January 8, 2007, the Compensation Committee of the Board of Directors (the Compensation Committee) of Teton Energy Corporation (the Company) granted a restricted stock award to Robert F. Bailey in consideration for his service as a director of the Company. Mr. Bailey was granted 25,000 shares, which shares will vest over a three-year period beginning on January 1, 2007 as follows: 8,334 shares on December 31, 2007, 8,334 shares on December 31, 2008, and 8,332 shares on December 31, 2009, provided he remains affiliated with the Company during the each of the vesting periods.

Item 9.01 Financial Statements and Exhibits.

None.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned.

Dated: January 12, 2007

TETON ENERGY CORPORATION

By: /s/ Karl F. Arleth
Karl F. Arleth, Chief Executive Officer
and President

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