SOUTHWEST AIRLINES CO

Form 4 May 19, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB 3235-0287 Number:

January 31, Expires: 2005

burden hours per 0.5

Estimated average response...

if no longer subject to Section 16. Form 4 or Form 5

obligations

Check this box

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

may continue. See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person ** KELLY GARY C			2. Issuer Name and Ticker or Trading Symbol SOUTHWEST AIRLINES CO [LUV]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
(Last) C/O SOUTH CO, P O BO		(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 05/18/2006	_X_ Director 10% Owner _X_ Officer (give title Other (specify below) CEO		
	(Street)		4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person		
DALLAS, TX 75235				Form filed by More than One Reporting Person		

(City)	(State) (Z	Zip) Table	I - Non-D	erivative S	ecurit	ies Acq	uired, Disposed o	of, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	Code (Instr. 8)	4. Securition(A) or Dis (D) (Instr. 3, 4	sposed and 5 (A) or	of (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)
Common Stock	05/18/2006		Code V M	Amount 909	(D)	Price \$ 4.4	126,816	D	
Common Stock	05/18/2006		M	8,564	A	\$ 4.3	135,380	D	
Common Stock	05/18/2006		M	19,121	A	\$ 4.3	154,501	D	
Common Stock							1,900	Ι	as Trustee

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

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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 (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. Transactio Code (Instr. 8)	5. Number of on 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)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option (Right to Buy)	\$ 4.4	05/18/2006		M	909 (1)	01/01/2001	01/01/2007	Common Stock	909
Option (Right to Buy)	\$ 4.3	05/18/2006		M	8,564 (2)	01/24/2000	01/24/2007	Common Stock	8,564
Option (Right to Buy)	\$ 4.3	05/18/2006		M	19,121 (1)	01/24/2000	01/24/2007	Common Stock	19,121

Reporting Owners

Reporting Owner Name / Address	Relationships					
• 5	Director	10% Owner	Officer	Other		
KELLY GARY C						
C/O SOUTHWEST AIRLINES CO	X		CEO			
P O BOX 36611	Λ		CEO			
DALLAS, TX 75235						

Signatures

On behalf of and attorney-in-fact for Gary C. Kelly /s/ Deborah Ackerman

05/19/2006

**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 granted from the 1991 NQ Plan.

Reporting Owners 2

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(2) Options granted from the 1991 ISO Plan.

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.