

SOUTHWEST AIRLINES CO  
 Form 4  
 May 19, 2006

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
**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) (First) (Middle)  
**C/O SOUTHWEST AIRLINES CO, P O BOX 36611**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**05/18/2006**

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**CEO**

**DALLAS, TX 75235**

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

(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)
			Code	V	Amount (A) or Price (D)		
Common Stock	05/18/2006		M		909 A \$ 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	I as Trustee

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)	Amount or Number of Shares
Option (Right to Buy)	\$ 4.4	05/18/2006		M	909 <u>(1)</u>	01/01/2001 01/01/2007	Common Stock	909
Option (Right to Buy)	\$ 4.3	05/18/2006		M	8,564 <u>(2)</u>	01/24/2000 01/24/2007	Common Stock	8,564
Option (Right to Buy)	\$ 4.3	05/18/2006		M	19,121 <u>(1)</u>	01/24/2000 01/24/2007	Common Stock	19,121

**Reporting Owners**

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

**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.

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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.

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