SOUTHWEST AIRLINES CO

Form 4 May 21, 2008

FORM 4

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

OMB APPROVAL OMB

3235-0287 Number: January 31,

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10% Owner

Other (specify

0.5

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Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES** Form 4 or

Form 5 obligations may continue. See Instruction

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

1(b).

(Last)

(City)

(Print or Type Responses)

1. Name and Address of Reporting Person *

(First)

(State)

CALDERA LOUIS E

2. Issuer Name and Ticker or Trading Symbol

SOUTHWEST AIRLINES CO

[LUV]

(Month/Day/Year)

3. Date of Earliest Transaction

05/21/2008

5. Relationship of Reporting Person(s) to

Issuer

below)

(Check all applicable)

SOUTHWEST AIRLINES CO., 2702 LOVE FIELD DRIVE

(Street)

(Middle)

(Zip)

4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

X_ Director

Officer (give title

X Form filed by One Reporting Person Form filed by More than One Reporting

DALLAS, TX 75235-1611

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3)

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial (I) Ownership (Instr. 4) (Instr. 4)

Reported (A) Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

or

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

3. Transaction Date 3A. Deemed 1. Title of (Month/Day/Year) Execution Date, if Transaction of Derivative Expiration Date Conversion

5. Number

6. Date Exercisable and

7. Title and Amount of 8. Price Underlying Securities Deriva

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Security (Instr. 3)	or Exercise Price of Derivative Security	· · · · · · · · · · · · · · · · · · ·	any (Month/Day/Year)	Code (Instr. 8) Ac (A) Dis (D) (In	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)		Securi (Instr.
				Code '	V ((A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Phantom Stock	\$ 0 (1)	05/21/2008		A	1,	000		(2)	(2)	Common Stock	1,000	\$

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

CALDERA LOUIS E SOUTHWEST AIRLINES CO. 2702 LOVE FIELD DRIVE DALLAS, TX 75235-1611

X

Signatures

/s/ Laura Wright on behalf of and as attorney-in-fact for Louis E. Caldera

05/23/2008

**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) Each share of phantom stock is the economic equivalent of one share of Southwest's common stock and may be settled only in cash.
- (2) Phantom shares settle on the 30th calendar day following the date on which the Reporting Person ceases to serve as a Director of the Issuer.

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.

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