

SOUTHWEST AIRLINES CO  
Form 4  
August 14, 2007

**FORM 4**

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

OMB APPROVAL

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**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 \*  
Wright Laura

(Last) (First) (Middle)  
C/O SOUTHWEST AIRLINES  
CO., P. O. BOX 36611  
(Street)

DALLAS, TX 75235-1611

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
SOUTHWEST AIRLINES CO  
[LUV]

3. Date of Earliest Transaction  
(Month/Day/Year)  
08/10/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	08/10/2007		M		473	A	\$ 7.27 27,228
Common Stock	08/10/2007		M		6,458	A	\$ 7.87 33,686
Common Stock	08/10/2007		M		15,000	A	\$ 8.2 48,686
Common Stock	08/10/2007		S		500	D	\$ 16.41 48,186
Common Stock	08/10/2007		S		500	D	\$ 16.35 47,686

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Common Stock	08/10/2007	S	700	D	\$ 16.33	46,986	D	
Common Stock	08/10/2007	S	9,500	D	\$ 16.37	37,486	D	
Common Stock	08/10/2007	S	3,200	D	\$ 16.38	34,286	D	
Common Stock	08/10/2007	S	1,500	D	\$ 16.39	32,786	D	
Common Stock	08/10/2007	S	700	D	\$ 16.36	32,086	D	
Common Stock	08/10/2007	S	3,400	D	\$ 16.34	28,686	D	
Common Stock						9,380 <sup>(1)</sup>	I	ProfitSharing Plan

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	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Employee Stock Option (Right to Buy)	\$ 7.27	08/10/2007		M	473	01/01/1998	01/01/2008	Common Stock	473
Employee Stock Option (Right to Buy)	\$ 7.87	08/10/2007		M	6,458	<sup>(2)</sup>	01/23/2008	Common Stock	6,458
	\$ 8.2	08/10/2007		M	15,000	<sup>(3)</sup>	09/01/2008		15,000

Employee  
 Stock  
 Option  
 (Right to  
 Buy)

Common  
 Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Wright Laura C/O SOUTHWEST AIRLINES CO. P. O. BOX 36611 DALLAS, TX 75235-1611			Chief Financial Officer	

## Signatures

/s/ Laura Wright                      08/14/2007

\*\*Signature of                      Date  
 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) The information reported herein is based on a plan statement dated as of June 30, 2007.
- (2) The option vested in installments and was 100% vested at the time of exercise.
- (3) The option vests in installments. Of the remaining 28,605 options, 21,225 have vested, and 7,380 will vest on September 1, 2007.

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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