

SOUTHWEST AIRLINES CO
 Form 4
 May 21, 2010

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 *
KELLY GARY C

(Last) (First) (Middle)

**SOUTHWEST AIRLINES
 CO., 2702 LOVE FIELD DRIVE**

(Street)

DALLAS, TX 75235-1908

(City) (State) (Zip)

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

3. Date of Earliest Transaction
 (Month/Day/Year)
05/19/2010

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)
COB, Pres., & CEO

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | Code V | Amount or Price | | |
| Common Stock | 05/19/2010 | | A | V | 150,000 (1) | A | \$ 0 303,203 D |

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)

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| 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) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Following Transaction (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
|--|---------------|-----------|-------------------|-------|------------------|-----------------|-------|----------------------------|
| | Director | 10% Owner | Officer | Other | | | | |
| KELLY GARY C SOUTHWEST AIRLINES CO. 2702 LOVE FIELD DRIVE DALLAS, TX 75235-1908 | X | | COB, Pres., & CEO | | | | | |

Signatures

/s/ Marilyn R. Post on behalf of and as attorney-in-fact for Gary C. Kelly

05/21/2010

__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).
Reflects the exempt acquisition of restricted stock units, pursuant to Southwest Airlines Co. Amended and Restated 2007 Equity Incentive Plan. The restricted stock units will vest with respect to one-third of shares covered thereby annually beginning on May 19, 2011, and will entitle the reporting person to one share of common stock for each restricted stock unit that vests.

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.