

SOUTHWEST AIRLINES CO
 Form 4
 July 30, 2008

FORM 4

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

OMB APPROVAL

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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 *
KELLEHER HERBERT D

(Last) (First) (Middle)

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

(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)
07/28/2008

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)
 Former Director and 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	07/28/2008		S		10,000	D	\$ 15 2,964,457
Common Stock	07/28/2008		S		600	D	\$ 15.02 2,963,857
Common Stock	07/28/2008		S		10,000	D	\$ 15.03 2,953,857
Common Stock	07/28/2008		S		10,000	D	\$ 15.04 2,943,857
Common Stock	07/28/2008		S		10,000	D	\$ 15.06 2,933,857

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Common Stock	07/28/2008		S	9,100	D	\$ 15.07	2,924,757	D	
Common Stock	07/28/2008		S	10,000	D	\$ 15.09	2,914,757	D	
Common Stock	07/28/2008		S	20,000	D	\$ 15.1	2,894,757	D	
Common Stock	07/28/2008		S	20,000	D	\$ 15.13	2,874,757	D	
Common Stock	07/28/2008		S	10,000	D	\$ 15.15	2,864,757	D	
Common Stock	07/28/2008		S	10,000	D	\$ 15.2	2,854,757	D	
Common Stock	07/28/2008		S	10,000	D	\$ 15.25	2,844,757	D	
Common Stock	07/28/2008		S	10,000	D	\$ 15.27	2,834,757	D	
Common Stock	07/28/2008		S	10,000	D	\$ 15.28	2,824,757	D	
Common Stock	07/28/2008		S	10,000	D	\$ 15.29	2,814,757	D	
Common Stock	07/28/2008		S	300	D	\$ 15.3	2,814,457	D	
Common Stock	07/28/2008		S	20,000	D	\$ 15.31	2,794,457	D	
Common Stock	07/28/2008		S	19,600	D	\$ 15.32	2,774,857	D	
Common Stock	07/28/2008		S	400	D	\$ 15.33	2,774,457	D	
Common Stock							300,280	I	By Family LLC ⁽¹⁾

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	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene
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Derivative Security

Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)

(Instr. 3 and 4)

Own
Follo
Repo
Trans
(Instr

Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KELLEHER HERBERT D SOUTHWEST AIRLINES CO. 2702 LOVE FIELD DRIVE DALLAS, TX 75235-1611			Former Director and Officer	

Signatures

/s/ Herbert D. Kelleher
Date: 07/30/2008
Signature of 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) These shares are held by a Family LLC. The reporting person's spouse is a principal. The reporting person disclaims any pecuniary interest in these shares.

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.