

SOUTHWEST AIRLINES CO
Form 4
October 15, 2004

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 *
BARRETT COLLEEN 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)
10/14/2004

____ Director
 Officer (give title below)
____ 10% Owner
____ Other (specify below)
President

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 Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
				Code	V	Amount	
Common Stock	10/14/2004		M		25,786	A	\$ 3.72 120,530 D
Common Stock	10/14/2004		M		4,214	A	\$ 4.98 124,744 D
Common Stock	10/14/2004		F		5,728	D	\$ 14.02 119,016 D
Common Stock	10/14/2004		F		8,337	D	\$ 14.02 110,679 D
Common Stock							1,492 I Profit Sharing (2)

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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 Security (Instr. 3 and 4)	8. Amount or Number of Shares		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option (Right to Buy)	\$ 14.95	10/14/2004		A		50,000		07/15/2004	07/15/2014	Common Stock	50,000
Option (Right to Buy)	\$ 14.95	10/14/2004		A		50,000		07/15/2005	07/15/2014	Common Stock	50,000
Option (Right to Buy)	\$ 14.95	10/14/2004		A		50,000		07/15/2006	07/15/2014	Common Stock	50,000
Option (Right to Buy)	\$ 3.72	10/14/2004		M		25,786	(3)	01/26/1996	01/26/2005	Common Stock	25,786
Option (Right to Buy)	\$ 4.98	10/14/2004		M		4,214	(4)	01/26/1998	01/26/2006	Common Stock	4,214

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BARRETT COLLEEN C C/O SOUTHWEST AIRLINES CO P O BOX 36611 DALLAS, TX 75235			President	

Signatures

On behalf of and attorney-in-fact for Colleen C. Barrett /s/ Deborah
Ackerman

10/15/2004

__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 1996 ISO Plan.
- (2) The information reported herein is based on a plan statement dated as of December 31, 2003.
- (3) Options granted from the 1995 NQ Plan.
- (4) Options granted from the 1996 NQ 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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