

CULLEN FROST BANKERS INC
 Form 4
 May 10, 2006

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 *
 EVANS RICHARD W JR

2. Issuer Name and Ticker or Trading Symbol
 CULLEN FROST BANKERS INC [CFR]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 100 WEST HOUSTON STREET
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 05/08/2006

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chairman, CEO and President

SAN ANTONIO, TX 78205

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)
			Code	V	Amount or Price		
Common Stock, \$0.01 par value	05/08/2006		M		18,400 A \$ 24.12	224,435	D
Common Stock, \$0.01 par value	05/08/2006		S		18,400 D \$ 58.0246	206,035	D
Common Stock, \$0.01 par value	05/08/2006		M		30,000 A \$ 24.09	236,035	D

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Common Stock, \$0.01 par value	05/09/2006	M	1,050	A	\$ 24.12	237,085	D	
Common Stock, \$0.01 par value	05/09/2006	S	1,050	D	\$ 58.1843	236,035	D	
Common Stock, \$0.01 par value	05/09/2006	M	44,950	A	\$ 24.12	280,985	D	
Common Stock, \$0.01 par value						120,003	I	Through Limited Partnership ⁽¹⁾
Common Stock, \$0.01 par value						41,289	I	Through 401(k) Plan

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

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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	Amount or Number of Shares
Stock Option (right to buy)	\$ 24.12	05/08/2006		M	18,400	10/22/2001 10/22/2007	Common Stock	18,400	
Stock Option (right to buy)	\$ 24.09	05/08/2006		M	30,000	10/03/1997 10/03/2007	Common Stock	30,000	

buy)

Stock Option (right to buy)	\$ 24.12	05/09/2006	M	1,050	10/22/2001	10/22/2007	Common Stock	1,050
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Stock Option (right to buy)	\$ 24.12	05/09/2006	M	44,950	10/22/2001	10/22/2007	Common Stock	44,950
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
EVANS RICHARD W JR 100 WEST HOUSTON STREET SAN ANTONIO, TX 78205	X		Chairman, CEO and President	

Signatures

/s/ Richard W.
Evans, Jr. 05/10/2006

 Signature of Reporting Date
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) Mr. Evans holds interests in and controls the limited partnership through its general partner, a limited liability company of which he is the sole manager.

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.