

CULLEN FROST BANKERS INC
 Form 4
 May 05, 2006

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 *
 ALEXANDER R DENNY

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)
 4200 S. HULEN STREET, SUITE 617
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 05/04/2006

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

FORT WORTH, TX 76109

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 Ownership (Instr. 4)
			Code	V	Amount (A) or Price (D)		
Common Stock, \$0.01 par value	05/04/2006		M		4,000 A \$ 26.625	4,000	D
Common Stock, \$0.01 par value	05/04/2006		M		4,000 A \$ 36.25	8,000	D
Common Stock, \$0.01 par	05/04/2006		M		4,000 A \$ 38.41	12,000	D

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value

Common
Stock,
\$0.01 par
value

05/04/2006

M

2,000

A

\$ 35.84

14,000

D

Common
Stock,
\$0.01 par
value

05/04/2006

S

14,000

D

\$
57.675

0

D

Common
Stock,
\$0.01 par
value

91,550 ⁽¹⁾

I

Through
Limited
Partnership

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)	8. Amount or Number of Shares
Stock Option (right to buy)	\$ 26.625	05/04/2006		M	4,000	07/27/1999 07/27/2009	Common Stock	4,000
Stock Option (right to buy)	\$ 36.25	05/04/2006		M	4,000	08/28/2001 08/28/2007	Common Stock	4,000
Stock Option (right to buy)	\$ 38.41	05/04/2006		M	4,000	05/28/2002 05/28/2008	Common Stock	4,000

Stock Option (right to buy)	\$ 35.84	05/04/2006	M	2,000	07/24/2003	07/24/2009	Common Stock	2,000
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ALEXANDER R DENNY 4200 S. HULEN STREET SUITE 617 FORT WORTH, TX 76109	X			

Signatures

/s/ R. Denny
Alexander

05/05/2006

__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).

Shares held by the R. Denny Alexander Family Limited Partnership (the "Partnership") of which the reporting person is a general partner.

- (1) The reporting person disclaims beneficial ownership of the Common Stock held by the Partnership, except to the extent of his pecuniary interest therein.

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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