

CULLEN FROST BANKERS INC
 Form 4
 February 12, 2008

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 *
 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)
 02/08/2008

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 (A) or (D) Price | | |
| Common Stock, \$0.01 par value | 02/08/2008 | | M | | 90,000 A \$ 24.16 | 401,083 | D |
| Common Stock, \$0.01 par value | 02/08/2008 | | M | | 21,800 A \$ 33.3 | 422,883 | D |
| Common Stock, \$0.01 par value | 02/08/2008 | | S | | 75,039 D \$ 54.1645 | 347,844 | D |

| | | | |
|--------------------------------|---------|---|--|
| Common Stock, \$0.01 par value | 120,003 | I | Through Limited Partnership ⁽¹⁾ |
| Common Stock, \$0.01 par value | 43,898 | I | Through 401(k) Plan |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Stock Option (right to buy) | \$ 24.16 | 02/08/2008 | | M | 90,000 | 09/22/2001 09/22/2008 | Common Stock 90,000 |
| Stock Option (right to buy) | \$ 33.3 | 02/08/2008 | | M | 21,800 | 11/05/2005 11/05/2008 | Common Stock 21,800 |

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.

02/12/2008

__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) 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.