

LONE STAR STEAKHOUSE & SALOON INC

Form 4

May 18, 2006

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
AARON GERALD T

2. Issuer Name **and** Ticker or Trading
Symbol
LONE STAR STEAKHOUSE &
SALOON INC [STAR]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
224 EAST DOUGLAS, SUITE 700
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
05/16/2006

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)
Senior Vice President, Counsel

WICHITA, KS 672023413

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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	05/16/2006		M		10,000	A	\$ 8.4687 (1)	72,707 D
Common Stock	05/16/2006		S		10,000	D	\$ 28.0002	62,707 D
Common Stock	05/17/2006		M		10,000	A	\$ 8.4687 (1)	72,707 D
Common Stock	05/17/2006		S		10,000	D	\$ 27.5963	62,707 D

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. D S (I
				Code	V (A) (D)	Date Exercisable Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	\$ 8.4687 ⁽¹⁾	05/16/2006		M	10,000	⁽²⁾ 01/03/2007	Common Stock	10,000
Stock Option (right to buy)	\$ 8.4687 ⁽¹⁾	05/17/2006		M	10,000	⁽²⁾ 01/03/2007	Common Stock	10,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
AARON GERALD T 224 EAST DOUGLAS, SUITE 700 WICHITA, KS 672023413	Senior Vice President, Counsel

Signatures

/s/ Aaron,
Gerald T. 05/18/2006

 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).

(1) The Form 4 filing software only allows for numbers to be expressed up to four decimal places. The actual exercise price of the stock options is \$8.46875.

(2)

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One third of the options became exercisable on January 3, 1998. One third of the options became exercisable on January 3, 1999. The remainder of the options became exercisable on January 3, 2000.

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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