

Bowers Kimberly S.
Form 4
January 27, 2010

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 *
Bowers Kimberly S.

2. Issuer Name and Ticker or Trading Symbol
VALERO ENERGY CORP/TX [VLO]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
P.O. BOX 696000

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
01/25/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP and GC

SAN ANTONIO, TX 78269-6000

(City) (State) (Zip)

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

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) | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|---|
| | | | | (A) or (D) | Price | | | |
| | | | | Code | V | Amount | | |
| Common Stock, \$.01 par value | 01/25/2010 | | M | 173 | A | \$ 0 | 77,129 | D |
| Common Stock, \$.01 par value | 01/25/2010 | | M | 564 | A | \$ 0 | 77,693 | D |
| Common Stock, \$.01 par vaule | 01/25/2010 | | M | 1,000 | A | \$ 0 | 78,693 | D |
| Common Stock, \$.01 | 01/25/2010 | | F | 739 | D | \$ 18.3 | 77,954 ⁽¹⁾ | D |

par value

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 (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 |
|--|--|--------------------------------------|--|--------------------------------|--|--|---|----------------------------|
| Performance Shares | (2) | 01/25/2010 | | M | 346 | 01/25/2010 01/25/2010 | Common Stock | 346 |
| Performance Shares | (2) | 01/25/2010 | | M | 1,126 | 01/25/2010 01/25/2011 | Common Stock | 1,126 |
| Performance Shares | (2) | 01/25/2010 | | M | 2,000 | 01/25/2010 01/25/2012 | Common Stock | 2,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------------|-------|
| | Director | 10% Owner | Officer | Other |
| Bowers Kimberly S. P.O. BOX 696000 SAN ANTONIO, TX 78269-6000 | | | EVP and GC | |

Signatures

J. Stephen Gilbert, as Attorney-in-Fact for Kimberly S. Bowers 01/27/2010

__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 77,954 amount does not include 1,568.5650 shares indirectly owned by the reporting person in a thrift plan.
- (2) Settlement of previously awarded performance shares at 50% of base shares.

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.