

Eveyln Robert C
 Form 3
 December 15, 2004

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0104
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name and Ticker or Trading Symbol	
Â Eveyln Robert C		(Month/Day/Year)	NEON SYSTEMS INC [NEON]	
(Last)	(First)	(Middle)	4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
		12/14/2004		
14100 SOUTHWEST			(Check all applicable)	
FREEWAY, SUITE 500			_____ Director _____ 10% Owner	
(Street)			<input checked="" type="checkbox"/> Officer _____ Other	
			(give title below) (specify below)	
			Sr VP Strategy and Solut	
SUGAR LAND,Â TXÂ 77478			6. Individual or Joint/Group Filing(Check Applicable Line)	
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Form filed by One Reporting Person	
			_____ Form filed by More than One Reporting Person	

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

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.

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	

(Instr. 5)

Incentive Stock Options	12/13/2005 ⁽¹⁾	12/13/2015	Incentive Stock Options	60,000	\$ 3.61	D	Â
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Eveyln Robert C 14100 SOUTHWEST FREEWAY, SUITE 500 SUGAR LAND, TX 77478	Â	Â	Â Sr VP Strategy and Solut	Â

Signatures

Robert C.
Evelyn

12/14/2004

 **Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(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).
Granted under the Issuer's 2002 Employee Stock Option Plan, vesting over a four year period of continuous employment: one-quarter of (1) the shares vesting on the first anniversary of the date of grant and one-sixteenth of the shares vesting each quarter thereafter for twelve additional quarters.

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.