NEON SYSTEMS INC Form SC 13G September 26, 2005

SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549

SCHEDULE 13G (RULE 13D-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULES 13D-1(B) (C) AND (D) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13D-2(B) (AMENDMENT NO. ___)*

NEON Systems, Inc.

(Name of Issuer)

Common Stock, \$.01 par value

(Title of Class of Securities)

640509105

(CUSIP Number)

September 15, 2005

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(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

[] Rule 13d-1(b)

[X] Rule 13d-1(c)

[] Rule 13d-1(d)

Page 1 of 5

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13G

USIP NO. 640509105		PAGE 2 OF 5 PAGE
NAME OF REPORTING S.S. OR I.R.S. I Lloyd I. Miller,	DENTIFICATION NO. OF ABOVE PERSON	
2 CHECK THE APPROP	RIATE BOX IF A MEMBER OF A GROUP*	(A) [(B) [
3 SEC USE ONLY		
4 CITIZENSHIP OR P United States	LACE OF ORGANIZATION	
	5 SOLE VOTING POWER	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	218,741	
	6 SHARED VOTING POWER	
	277,516	
	7 SOLE DISPOSITIVE POWER	
	218,741	
	8 SHARED DISPOSITIVE POWER	
	277,516	
9 AGGREGATE AMOUNT	BENEFICIALLY OWNED BY EACH REPORTING	PERSON
496,257		
10 CHECK BOX IF THE	AGGREGATE AMOUNT IN ROW (9) EXCLUDES	CERTAIN SHARES* []
11 PERCENT OF CLASS	REPRESENTED BY AMOUNT IN ROW (9)	
5.2%		
12 TYPE OF REPORTIN	G PERSON	
IN-IA-00**		

** See Item 4.

Item 1(a). Name of Issuer: NEON Systems, Inc.

Item 1(b). Address of Issuers's Principal Executive Offices: 14100 Southwest Freewa

Sugar Land, Texas 7747

Item 2(a). Name of Person Filing:

Lloyd I. Miller, III

Item 2(b). Address of Principal Business Office or, if None, Residence:

4550 Gordon Drive, Nap

34102

Item 2(c). Citizenship:

U.S.A.

Item 2(d). Title of Class of Securities:

Common Stock

Item 2(e). CUSIP Number:

640509105

Item 3. IF THIS STATEMENT IS FILED PURSUANT TO RULE 13d-1(b) OR 13d-2(b) or (c), CHECK WHETHER THE PERSON FILING IS A:

Not Applicable, this statement is filed pursuant to 13d-1(c)

- Item 4. OWNERSHIP: The reporting person has sole voting and dispositive power with respect to 218,741 of the reported securities as the manager of a limited liability company that is the general partner of a certain limited partnership. The reporting person has shared voting and dispositive power with respect to 277,516 of the reported securities as an investment advisor to the trustee of a certain family trust.
 - (a) 496, 257
 - (b)5.2%
 - (c) (i) sole voting power: 218,741
 - (ii) shared voting power: 277,516
 - (iii) sole dispositive power: 218,741
 - (iv) shared dispositive power: 277,516
- Item 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS:

Not Applicable

Item 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON:

Persons other than Lloyd I. Miller III, have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the reported securities.

Item 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY:

Not Applicable

Item 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP:

Not Applicable

Item 9. NOTICE OF DISSOLUTION OF GROUP:

Not Applicable

Item 10. CERTIFICATION:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: September 26, 2005 /s/Lloyd I. Miller, III

Lloyd I. Miller, III