

KERLEY GREGORY D  
Form 4  
December 12, 2007

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

OMB APPROVAL

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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 \*  
KERLEY GREGORY D

2. Issuer Name and Ticker or Trading Symbol  
SOUTHWESTERN ENERGY CO  
[SWN]

5. Relationship of Reporting Person(s) to Issuer  
  
(Check all applicable)  
 Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Executive Vice President & CFO

(Last) (First) (Middle)  
2350 N. SAM HOUSTON PKWY  
EAST, SUITE 125  
  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/11/2007

HOUSTON, TX 77032

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)
				(A) or (D)	Price		
			Code	V	Amount		
Common Stock	12/11/2007		S		2,200	D	\$ 53.92 891,109
Common Stock	12/11/2007		S		100	D	\$ 53.925 891,009
Common Stock	12/11/2007		S		1,300	D	\$ 53.93 889,709
Common Stock	12/11/2007		S		700	D	\$ 53.94 889,009
Common Stock	12/11/2007		S		1,100	D	\$ 53.95 887,909

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Common Stock	12/11/2007	S	800	D	\$ 53.96	887,109	D
Common Stock	12/11/2007	S	600	D	\$ 53.97	886,509	D
Common Stock	12/11/2007	S	100	D	\$ 53.975	886,409	D
Common Stock	12/11/2007	S	100	D	\$ 53.98	886,309	D
Common Stock	12/11/2007	S	900	D	\$ 53.99	885,409	D
Common Stock	12/11/2007	S	4,100	D	\$ 54	881,309	D
Common Stock	12/11/2007	S	1,100	D	\$ 54.01	880,209	D
Common Stock	12/11/2007	S	1,600	D	\$ 54.02	878,609	D
Common Stock	12/11/2007	S	700	D	\$ 54.03	877,909	D
Common Stock	12/11/2007	S	100	D	\$ 54.035	877,809	D
Common Stock	12/11/2007	S	1,000	D	\$ 54.04	876,809	D
Common Stock	12/11/2007	S	800	D	\$ 54.05	876,009	D
Common Stock	12/11/2007	S	100	D	\$ 54.055	875,909	D
Common Stock	12/11/2007	S	1,600	D	\$ 54.06	874,309	D
Common Stock	12/11/2007	S	200	D	\$ 54.065	874,109	D
Common Stock	12/11/2007	S	2,700	D	\$ 54.07	871,409	D
Common Stock	12/11/2007	S	100	D	\$ 54.075	871,309	D
Common Stock	12/11/2007	S	3,100	D	\$ 54.08	868,209	D
Common Stock	12/11/2007	S	1,800	D	\$ 54.09	866,409	D
Common Stock	12/11/2007	S	1,300	D	\$ 54.1	865,109	D
	12/11/2007	S	100	D	\$ 54.105	865,009	D

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Common Stock								
Common Stock	12/11/2007		S	4,000	D	\$ 54.11	861,009	D
Common Stock	12/12/2007		<u>J<sup>(1)</sup></u>	114.3716	A	\$ 42.5169	12,411.4809	I

By  
401(k)  
plan

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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Phantom Stock	<u>(2)</u>					<u>(3)</u>	<u>(3)</u>	Common Stock	25,794.8632
Stock Options (Right to buy)	\$ 1.8594					12/14/2001	12/14/2010	Common Stock	77,992
Stock Options (Right to buy)	\$ 2.865					12/11/2003	12/11/2012	Common Stock	76,040
Stock Options (Right to buy)	\$ 5.285					12/10/2004	12/10/2013	Common Stock	108,359
Stock Options (Right to buy)	\$ 12.45					12/09/2005	12/09/2011	Common Stock	59,360

Stock Options (Right to buy)	\$ 35.49	12/08/2006	12/08/2012	Common Stock	23,710
Stock Options (Right to buy)	\$ 40.67	12/11/2007	12/11/2013	Common Stock	21,850

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KERLEY GREGORY D 2350 N. SAM HOUSTON PKWY EAST SUITE 125 HOUSTON, TX 77032			Executive Vice President & CFO	

## Signatures

Melissa D. McCarty,  
Attorney-in-Fact

12/12/2007

\_\_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).

- The common stock held in the Southwestern Energy Company Nonqualified Retirement Plan (the "NQ Plan") investment fund was
- (4) previously reported in Table 1 as a non-derivative security indirectly owned by the reporting person. Prospectively, the balance of common stock held in the NQ Plan investment fund on behalf of the insider will be reported under Table II as phantom stock.
  - (2) Each share of phantom stock represents the right to receive the economic equivalent of one share of Southwestern Energy Company common stock.
  - (1) Purchased through the Company's 401(k) plan from June 15, 2007, through December 12, 2007. The information in this report is based on a plan statement dated as of November 30, 2007.
  - (3) Shares of phantom stock are payable in cash following termination of the reporting person's employment with Southwestern Energy Company. The reporting person may transfer his phantom stock account into an alternative investment account at any time.

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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