

KERLEY GREGORY D  
 Form 4  
 December 13, 2010

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

OMB APPROVAL

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**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)

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

3. Date of Earliest Transaction (Month/Day/Year)  
**12/09/2010**

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Executive Vice President & CFO**

**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)
			Code	V Amount (A) or (D) Price			
Common Stock	12/09/2010 <sup>(1)</sup>		A	14,340 A \$ 0	1,166,132	D	
Common Stock	10/19/2010		J <sup>(2)</sup>	V 29 A \$ 34.9919	1,166,161	D	
Common Stock	12/09/2010		J <sup>(3)</sup>	V 6.5582 A \$ 34.95	25,348.5238	I	By 401(k) Plan
Common Stock					319	I	By JGH Irrevocable Trust; Greg D. Kerley,

Grantor

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 Number Shares
Stock Options (Right to Buy)	\$ 36.22	12/09/2010 <sup>(1)</sup>		A	27,760	12/09/2011 <sup>(4)</sup>	12/09/2017	Common Stock	27,
Phantom Stock	<sup>(5)</sup>					<sup>(6)</sup>	<sup>(6)</sup>	Common Stock	51,58
Stock Options (Right to Buy)	\$ 1.435					12/11/2003	12/11/2012	Common Stock	152
Stock Options (Right to Buy)	\$ 2.645					12/10/2004	12/10/2013	Common Stock	216
Stock Options (Right to Buy)	\$ 6.225					12/09/2005	12/09/2011	Common Stock	102
Stock Options (Right to Buy)	\$ 17.745					12/08/2006	12/08/2012	Common Stock	41,
Stock Options (Right to Buy)	\$ 20.335					12/11/2007	12/11/2013	Common Stock	38,

Stock Options (Right to Buy)	\$ 27.18	12/13/2008	12/13/2014	Common Stock	43,
Stock Options (Right to Buy)	\$ 30.68	12/11/2009	12/11/2015	Common Stock	31,
Stock Options (Right to Buy)	\$ 40.73	12/10/2010	12/10/2016	Common Stock	21,

## Reporting Owners

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

## Signatures

/s/ Melissa D. McCarty, Attorney-in-fact for Mr. Kerley 12/13/2010

\_\_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) Restricted stock and incentive stock options granted in consideration of services as an officer.
- (2) Employee service award granted for 20 years of service with the Company.
- (3) Purchased through the Company's 401(k) plan from September 20, 2010, through December 8, 2010. The information in this report is based on a plan statement dated as of December 8, 2010.
- (4) Incentive stock options become exercisable in three equal installments beginning on the first anniversary of the grant date specified in Column 3 or immediately upon death, disability, retirement at age 65, or a change in control.
- (5) Each share of phantom stock represents the right to receive the economic equivalent of one share of Southwestern Energy Company common stock.
- (6) 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. 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.