

SOUTHWESTERN ENERGY CO  
 Form 4  
 July 11, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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)

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

3. Date of Earliest Transaction (Month/Day/Year)  
**07/10/2008**

\_\_\_\_ 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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	07/10/2008		M		16,064 (2)	A	\$ 6.23 1,414,902 (1) D
Common Stock	07/10/2008		M		4 (3)	A	\$ 1.43 1,414,906 D
Common Stock	07/10/2008		J(4)		80.3412	A	\$ 40.079 24,954.8334 (5) I

By  
 401(k)  
 Plan

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

SEC 1474 (9-02)

required to respond unless the form displays a currently valid OMB control number.

**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)	Amount or Number of Shares
Stock Options (Right to Buy)	\$ 6.225	07/10/2008		M	16,064	12/09/2005 12/09/2011	Common Stock	16,064
Stock Options (Right to Buy)	\$ 1.435	07/10/2008		M	4	12/11/2003 12/11/2012	Common Stock	4

## 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			Executive Vice President & CFO	

## Signatures

/s/ Melissa D. McCarty, Attorney-in-fact for Gregory D. Kerley 07/11/2008

\_\_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) On March 25, 2008, the common stock of Southwestern Energy Company split 2-for-1, resulting in an increase of 699,419 shares of common stock directly held by the reporting person.
- (2) This option was previously reported as covering 59,360 stock options at an exercise price of \$12.45 per share, but was adjusted to reflect the 2-for-1 stock split on March 25, 2008.

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- (3) This option was previously reported as covering 76,040 stock options at an exercise price of \$2.865 per share, but was adjusted to reflect the 2-for-1 stock split on March 25, 2008.
- (4) Purchased through the Company's 401(k) plan from February 29, 2008, thru July 10, 2008. The information in this report is based on a plan statement dated July 10, 2008.
- (5) On March 25, 2008, the common stock of Southwestern Energy Company split 2-for-1, resulting in an increase of 12,437.2461 shares of common stock indirectly held by the reporting person in the Company's 401(k) Plan.

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.