

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</u> ⁽¹⁾ | 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, 12/12/2007
Attorney-in-Fact

__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. 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.