

SOUTHWESTERN ENERGY CO
 Form 4
 December 13, 2006

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 300
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 12/11/2006

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	12/11/2006		A		5,840	A	\$ 0 (1)
Common Stock					1,074,388	D	
Common Stock					12,101.5888	I	By 401(k) plan
Common Stock					25,794.8632	I	By Nonqualified Retirement Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(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)	\$ 1.8594					12/14/2001	12/14/2010	Common Stock	77,99
Stock Options (Right to buy)	\$ 2.865					12/11/2003	12/11/2012	Common Stock	76,04
Stock Options (Right to buy)	\$ 5.285					12/10/2004	12/10/2013	Common Stock	127,2
Stock Options (Right to buy)	\$ 12.45					12/09/2005	12/09/2011	Common Stock	59,36
Stock Options (Right to buy)	\$ 35.49					12/08/2006	12/08/2012	Common Stock	23,71
Stock Options (Right to buy)	\$ 40.67	12/11/2006		A	21,850	12/11/2007 ⁽²⁾	12/11/2013	Common Stock	21,85

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

KERLEY GREGORY D
2350 N. SAM HOUSTON PKWY EAST
SUITE 300
HOUSTON, TX 77032

Executive Vice President & CFO

Signatures

Melissa D. McCarty,
Attorney-in-Fact

12/13/2006

__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).
- (2) 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.
- (1) Restricted stock and options granted in consideration of services as an officer.

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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