

KORELL HAROLD M
 Form 4
 December 15, 2008

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 *
KORELL HAROLD M

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)
 Chairman and CEO

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

3. Date of Earliest Transaction (Month/Day/Year)
12/11/2008

HOUSTON, TX 77032

(City) (State) (Zip)

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

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	(A) or (D)	Price
Common Stock	12/11/2008		A		28,290	A	\$ 0 (1)
Common Stock					1,263,278	D	
Common Stock					1,214,180	I	By Family Limited Partnership

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

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SEC 1474 (9-02)

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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 of Shares
Stock Options (Right to Buy)	\$ 30.68	12/11/2008		A	93,790	12/11/2009 ⁽²⁾	12/11/2015	Common Stock	93,790
Phantom Stock	⁽³⁾					⁽⁴⁾	⁽⁴⁾	Common Stock	51,990 ⁽⁵⁾
Stock Options (Right to Buy)	\$ 0.93					12/14/2001	12/14/2010	Common Stock	1,492 ⁽⁶⁾
Stock Options (Right to Buy)	\$ 1.205					12/20/2002	12/20/2011	Common Stock	187,000
Stock Options (Right to Buy)	\$ 1.435					12/11/2003	12/11/2012	Common Stock	690,100
Stock Options (Right to Buy)	\$ 2.645					12/10/2004	12/10/2013	Common Stock	451,500
Stock Options (Right to Buy)	\$ 6.225					12/09/2005	12/09/2011	Common Stock	277,700
Stock Options (Right to Buy)	\$ 17.745					12/08/2006	12/08/2012	Common Stock	121,900
Stock Options (Right to Buy)	\$ 20.335					12/11/2007	12/11/2013	Common Stock	122,000

Stock					
Options (Right to Buy)	\$ 27.18	12/13/2008	12/13/2014	Common Stock	78,98

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KORELL HAROLD M SUITE 125 2350 N. SAM HOUSTON PARKWAY EAST HOUSTON, TX 77032	X		Chairman and CEO	

Signatures

/s/ Melissa D. McCarty, Attorney-in-Fact for Mr.
Korell

12/15/2008

__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) Restricted stock and incentive stock options granted in consideration of services as an officer.
 - (2) 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.
 - (3) Each share of phantom stock represents the right to receive the economic equivalent of one share of Southwestern Energy Company common stock.
 - (4) 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.
 - (5) The phantom stock is currently held in the Southwestern Energy Company Nonqualified Retirement Plan (the "NQ Plan") investment fund, and has been adjusted to reflect the two-for-one stock split on March 25, 2008.
 - (6) This option was previously reported as covering 746,220 incentive stock options at an exercise price of \$1.8594 per share, and has been adjusted as a result of a two-for-one stock split on March 25, 2008.
 - (7) This option was previously reported as covering 93,507 incentive stock options at an exercise price of \$2.41 per share, and has been adjusted as a result of a two-for-one stock split on March 25, 2008.
 - (8) This option was previously reported as covering 345,096 incentive stock options at an exercise price of \$2.865 per share, and has been adjusted as a result of a two-for-one stock split on March 25, 2008.
 - (9) This option was previously reported as covering 225,799 incentive stock options at an exercise price of \$5.285 per share, and has been adjusted as a result of a two-for-one stock split on March 25, 2008.
 - (10) This option was previously reported as covering 138,888 incentive stock options at an exercise price of \$12.45 per share, and has been adjusted as a result of a two-for-one stock split on March 25, 2008.
 - (11) This option was previously reported as covering 60,960 incentive stock options at an exercise price of \$35.49 per share, and has been adjusted as a result of a two-for-one stock split on March 25, 2008.
 - (12) This option was previously reported as covering 61,000 incentive stock options at an exercise price of \$40.67 per share, and has been adjusted as a result of a two-for-one stock split on March 25, 2008.
 - (13) This option was previously reported as covering 39,490 incentive stock options at an exercise price of \$54.36 per share, and has been adjusted as a result of a two-for-one stock split on March 25, 2008.

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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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