KERLEY GREGORY D

Form 4

December 13, 2010

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

(11iii of Type	(Responses)					
KERLEY GREGORY D Sy			. Issuer Name and Ticker or Trading mbol DUTHWESTERN ENERGY CO WN]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
	(First) 5, 2350 N. SAM N PARKWAY E.	(Mo	Date of Earliest Transaction fonth/Day/Year) 1/09/2010	_X_ Director 10% Owner _X_ Officer (give title Other (specify below) Executive Vice President & CFO		
HOUSTO	(Street) N, TX 77032		If Amendment, Date Original ed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		
(City)	(State)	(Zip)	Table I - Non-Derivative Securities Ac	quired, Disposed of, or Beneficially Owned		
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, any (Month/Day/Yea	Code (Instr. 3, 4 and 5)	Securities Ownership Indirect Beneficially Form: Beneficial Owned Direct (D) Ownership Following or Indirect (Instr. 4) Reported (I) Transaction(s) (Instr. 4) (Instr. 3 and 4)		
Common	12/09/2010(1)		A 14 340 A \$ 0	1 166 132 D		

Security (Instr. 3)	(Month/Day/Year)	Execution Date, if any (Month/Day/Year)	Transa Code (Instr.		onor Disposed of (D) (Instr. 3, 4 and 5)			Securities Beneficially Owned Following	Ownership Form: Direct (D) or Indirect	Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price	Reported Transaction(s) (Instr. 3 and 4)	(I) (Instr. 4)	
Common Stock	12/09/2010(1)		A		14,340	A	\$ 0	1,166,132	D	
Common Stock	10/19/2010		J(2)	V	29	A	\$ 34.9919	1,166,161	D	
Common Stock	12/09/2010		J <u>(3)</u>	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,

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Grantor

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. Transactic Code (Instr. 8)	5. Number of orDerivative Securities Acquired (A) or Disposed or (D) (Instr. 3, 4, and 5)	Expiration Date (Month/Day/Yea	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	Amoun Number Shares	
Stock Options (Right to Buy)	\$ 36.22	12/09/2010(1)		A	27,760	12/09/2011(<u>4)</u>	12/09/2017	Common Stock	27,	
Phantom Stock	<u>(5)</u>					<u>(6)</u>	<u>(6)</u>	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,	

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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	\$ 40.73	12/10/2010	12/10/2016	Common Stock	21,

Reporting Owners

Kerley

Reporting Owner Name / Address	Relationships					
in the state of th	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.	127	12/2010				

12/13/2010

Date

**Signature of Reporting Person

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.

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