FORM U-3A-2

File No. 69-248

SECURITIES & EXCHANGE COMMISSION
Washington, D.C.

Statement by Holding Company Claiming Exemption
Under Rule U-3A-2 from the Provisions of the
Public Utility Holding Company Act of 1935

SOUTHWESTERN ENERGY COMPANY hereby files with the Securities & Exchange Commission, pursuant to Rule U-3A-2, its statement claiming exemption as a holding company from the provisions of the Public Utility Holding Company Act of 1935. In support of such claim for exemption, the following information is submitted:

1. Southwestern Energy Company, an Arkansas corporation, is located at 1083 Sain Street, Fayetteville, Arkansas (P. O. Box 1408, Fayetteville, Arkansas 72702-1408). Southwestern Energy Company is a holding company with six wholly owned subsidiaries. The wholly owned subsidiaries of the holding company are Arkansas Western Gas Company, a gas utility; SEECO, Inc., an Arkansas based gas exploration and production company; Southwestern Energy Production Company (formerly Arkansas Western Production Company), an oil and gas exploration and production company with offices in Oklahoma, Texas and Arkansas; A. W. Realty Company, an Arkansas real estate company which holds real estate interests; Southwestern Energy Pipeline Company, a corporation that owns an interest in a partnership that operates an intrastate natural gas pipeline in Arkansas; and Arkansas Western Pipeline Company, a corporation that operates an 8-mile interstate pipeline in northeast Arkansas and southeast Missouri. Arkansas Gas Gathering Company is a wholly owned subsidiary of SEECO, Inc., and is currently inactive. The main location of Arkansas Western Gas Company is 1001 Sain Street, Fayetteville, Arkansas 72701. SEECO, Inc., Arkansas Gas Gathering Company, A. W. Realty Company, Southwestern Energy Pipeline Company and Arkansas Western Pipeline Company occupy the same location as that of Claimant. The main locations of Southwestern Energy Production Company are 5151 San Felipe, Suite 700, Houston, Texas 77056-3608, and 5600 N. May Ave., Suite 200, Oklahoma City, Oklahoma 73112-3979. All subsidiaries are Arkansas corporations with Southwestern Energy Production Company being authorized to do business in Oklahoma, Texas, Wyoming, Louisiana, North Dakota, South Dakota, Kansas, New Mexico, Mississippi and Nebraska. SEECO, Inc., has authority to operate only in Arkansas. Arkansas Western Gas Company and Arkansas Western Pipeline Company are also authorized to do business in Missouri and Southwestern Energy Pipeline Company is also authorized to do business in Oklahoma.

2. Claimant, Southwestern Energy Company, is the parent company and owns beneficially and of record 100% of the issued and outstanding shares of stock of its six subsidiaries.

Arkansas Western Gas Company (AWG), Claimant's only public utility subsidiary, operates 6,233 miles of pipeline. This system includes

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in Arkansas, a gathering and storage system with 434 miles of pipeline, 917 miles of transmission pipeline and 3,354 miles of distribution pipeline. Additionally the system includes, in Missouri, 431 miles of transmission pipeline and 1,097 miles of distribution pipeline.

AWG's northwest Arkansas gas utility system gathers its gas supply from the Arkoma Basin where it also provides distribution service to communities in that area, including the towns of Ozark and Clarksville. AWG's transmission and distribution lines extend north and supply communities in the northwest part of the state, including the towns of Fayetteville, Springdale and Rogers. AWG's service area also extends to the east to the Harrison and Mountain Home areas. This eastern section of the AWG system receives a portion of its gas supply from a lateral line off of the NOARK Pipeline System (NOARK) as discussed below. Through its division, Associated Natural Gas Company (Associated), AWG provides distribution of natural gas to communities in northeast Arkansas and parts of Missouri. Major communities served in northeast Arkansas include Blytheville, Piggott and Osceola. The Associated distribution system also serves the "bootheel" area in southeast Missouri, including the communities of Sikeston, New Madrid and Caruthersville, and extends north to the Jackson area. In addition, Associated provides service to Butler, Missouri, near the state's western border, and Kirksville, Missouri, near the state's northern border, through connections off of interstate pipelines in those areas.

Southwestern Energy Pipeline Company owns a 47.93% general partnership interest in NOARK, a 258-mile intrastate pipeline that ties the Claimant's gathering and transmission pipeline systems in northwest Arkansas to its distribution systems in northeast Arkansas and southeast Missouri. NOARK starts near Fort Smith, at the Fort Chaffee military reservation, and extends east through the Arkoma Basin and across northern Arkansas. A lateral from NOARK extends north and connects to AWG's distribution line in the Mountain Home area. NOARK crosses three interstate pipelines in northeast Arkansas and ends at an interconnection with Arkansas Western Pipeline Company's 8-mile interstate pipeline at the Arkansas/Missouri border. This pipeline transports gas from NOARK to Associated's distribution system.

3. Arkansas Western Gas Company made gas sales for the 12 months ended December 31, 1995, as follows:

(a) Natural gas distributed at retail:

Utility Sales	Average Consumers	Mcf	Sales
Residential	144,828	12,050,055	$ 59,522,563
Commercial	19,502	7,597,682	31,018,479
Industrial	342	7,749,527	22,466,121
Total	164,672	27,397,264	$113,007,163

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(b) There were 7,571,350 Mcf of natural gas distributed at retail outside the state of Arkansas by the public utility subsidiary.

(c) There were 2,379,835 Mcf of natural gas sold to industrial consumers outside the state or at the state line by the public utility subsidiary.

(d) There were 4,081,611 Mcf of natural gas purchased outside the state or at the state line by the public utility subsidiary.

4. The Claimant holds no direct or indirect interest in an EWG or a foreign utility company.

EXHIBIT A

Consolidating Statements of Income and Surplus along with Consolidating Balance Sheets for the year ended December 31, 1995.

EXHIBIT B

Financial Data Schedule for the year ended December 31, 1995.

EXHIBIT C

The Claimant holds no direct or indirect interest in an EWG or a foreign utility company.

APPENDIX

A map of the Company's transmission and distribution system has been omitted from the electronic filing. A narrative description of the system is provided in item 2 above.

The above named Claimant has caused this statement to be duly executed on its behalf by its authorized officer on this 27th day of February, 1996.

SOUTHWESTERN ENERGY COMPANY

By: /s/ GREGORY D. KERLEY

Gregory D. Kerley
Vice President - Treasurer and Secretary

ATTEST:

/s/ JEFFREY L. DANGEAU
Jeffrey L. Dangeau
Assistant Secretary

Notices and correspondence concerning this statement should be addressed to:
Gregory D. Kerley, Vice President - Treasurer and Secretary Southwestern Energy Company
P. O. Box 1408
Fayetteville, Arkansas 72702-1408

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SOUTHWESTERN ENERGY COMPANY AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 1995
(in thousands)

	Southwestern Energy Company	Arkansas Western Gas Company	SEECO, Inc.	Southwestern Energy Production Company	A. W. Realty Company	Southwestern Energy Pipeline Company
Operating Revenues:						
Gas sales	$ -	$ 113,007	$ 43,443	$ 15,601	$ -	$ -
Oil sales	-	-	-	3,924	-	-
Gas transportation	-	4,102	-	-	-	-
Other	-	2,343	317	-	256	318
	-	119,452	43,760	19,525	256	318
Operating Costs and Expenses:						
Purchased gas costs	-	67,326	-	-	-	-
Operating and general	-	33,135	4,103	8,112	224	217
Depreciation, depletion and amortization	193	5,239	10,692	18,916	61	-
Taxes, other than income taxes	290	2,862	175	1,003	3	-
	483	108,562	14,970	28,031	288	217
Operating income	(483)	10,890	28,790	(8,506)	(32)	101
Interest Expense:						
Interest on long-term debt	12,984	-	-	-	-	-
Intercompany interest	(8,068)	4,228	1,558	1,877	157	61
Other interest charges	192	446	-	-	-	1
Interest capitalized	-	(152)	(226)	(2,078)	-	-
	5,108	4,522	1,332	(201)	157	62
Other Income (Expense)	10,739	68	(700)	-	45	(694)
Income before provision for income taxes and extraordinary item	5,148	6,436	26,758	(8,305)	(144)	(655)
Provision (Benefit) for Income Taxes	(2,088)	2,411	10,397	(3,165)	(57)	(261)
Income (loss) before extraordinary item	7,236	4,025	16,361	(5,140)	(87)	(394)
Extraordinary Loss Due to Early Retirement of Debt (Net of Tax)	-	-	(124)	(137)	(14)	(4)
Net Income (Loss)	$ 7,236	$ 4,025	$ 16,237	$ (5,277)	$ (101)	$ (398)

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	Arkansas Western Pipeline Company	Eliminations	Consolidated
Operating Revenues:			
Gas sales	$ -	$ (29,596) (b)	$ 142,455
Oil sales	-	-	3,924
Gas transportation	403	459 (c)	4,964
Other	-	(1,466) (c)	1,768
	403	(30,603)	153,111
Operating Costs and Expenses:			
Purchased gas costs	-	(30,193) (b)(c)	37,133
Operating and general	33	(1,388) (c)	44,436
Depreciation, depletion and amortization	98	793 (c)	35,992
Taxes, other than income taxes	29	-	4,362
	160	(30,788)	121,923
Operating income	243	185	31,188
Interest Expense:			
Interest on long-term debt	-	-	12,984
Intercompany interest	187	-	-
Other interest charges	-	-	639
Interest capitalized	-	-	(2,456)
	187	-	11,167
Other Income (Expense)	-	(10,685) (c)(d)	(1,227)
Income before provision for income taxes and extraordinary item	56	(10,500)	18,794
Provision (Benefit) for Income Taxes	22	-	7,259
Income (loss) before extraordinary item	34	(10,500)	11,535
Extraordinary Loss due to Early Retirement of Debt (Net of Tax)	(16)	-	(295)
Net Income (Loss)	$ 18	$ (10,500)	$ 11,240

(b)To eliminate intercompany sales and purchases. (c)To eliminate intercompany income and expense items.
(d)To eliminate intercompany dividends.

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SOUTHWESTERN ENERGY COMPANY AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEET
DECEMBER 31, 1995
(in thousands)

	Southwestern Energy Company	Arkansas Western Gas Company	SEECO, Inc.	Southwestern Energy Production Company	A. W. Realty Company	Southwestern Energy Pipeline Company
Assets						
Current Assets:						
Cash	$ 1,011	$ 476	$ -	$ 11	$ -	$ -
Accounts receivable	987	24,569	4,741	4,040	1	1,201
Income taxes receivable (payable)	8,023	320	(100)	(26)	2	2
Inventories, at average cost	-	12,177	3,216	55	-	-
Other	802	1,014	1,066	294	2	-
Total current assets	10,823	38,556	8,923	4,374	5	1,203
Investments:						
Investment in subsidiaries, at cost	342,198	-	-	-	366	-
Advances to (from) subsidiaries	(13,241)	-	16,611	1,925	(1,907)	(1,386)
Other	28	-	-	-	49	9,037
	328,985	-	16,611	1,925	(1,492)	7,651
Property, Plant and Equipment:						
Oil and gas properties, using the full cost method	-	-	176,857	341,122	-	-
Gas utility system	-	190,927	-	-	-	-
Gas in underground storage	-	11,841	20,775	-	-	-
Other	13,021	-	-	1,515	5,181	-
	13,021	202,768	197,632	342,637	5,181	-
Less - Accumulated depreciation, depletion and amortization	6,726	63,211	87,538	119,551	502	-
	6,295	139,557	110,094	223,086	4,679	-
Other Assets	7,051	3,064	11	26	-	-
	$ 353,154	$ 181,177	$ 135,639	$ 229,411	$ 3,192	$ 8,854

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	Arkansas Western Pipeline Company	Eliminations	Consolidated
Assets			
Current Assets:			
Cash	$ -	$ -	$ 1,498
Accounts receivable	2	-	35,541
Income taxes receivable (payable)	-	-	8,221
Inventories, at average cost	-	-	15,448
Other	10	-	3,188
Total current assets	12	-	63,896
Investments:			
Investment in subsidiaries, at cost	-	(342,564) (a)	-
Advances to (from) subsidiaries	(2,002)	-	-
Other	-	-	9,114
	(2,002)	(342,564)	9,114
Property, Plant and Equipment:			
Oil and gas properties, using the full cost method	-	-	517,979
Gas utility system	2,331	-	193,258
Gas in underground storage	-	-	32,616
Other	-	-	19,717
	2,331	-	763,570
Less - Accumulated depreciation, depletion and amortization	223	-	277,751
	2,108	-	485,819
Other Assets	112	-	10,264
	$ 230	$ (342,564)	$ 569,093

(a)To eliminate investment in subsidiaries.

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SOUTHWESTERN ENERGY COMPANY AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEET (continued)
DECEMBER 31, 1995
(in thousands)

	Southwestern Energy Company	Arkansas Western Gas Company	SEECO, Inc.	Southwestern Energy Production Company	A. W. Realty Company	Southwestern Energy Pipeline Company
Liabilities and Shareholders' Equity						
Current Liabilities:						
Current portion of long-term debt	$ 3,071	$ -	$ -	$ -	$ -	$ -
Accounts payable	8,627	7,015	3,617	4,341	-	376
Taxes payable	380	1,749	245	8	39	1
Customer deposits	-	4,619	-	-	-	-
Over-recovered purchased gas cost, net	-	7,327	-	-	-	-
Other	1,367	1,096	401	708	400	10
Total current liabilities	13,445	21,806	4,263	5,057	439	387
Long-Term Debt, less current portion above	208,123	70,888	14,000	-	-	-
Other Liabilities:						
Deferred income taxes	1,316	16,313	34,703	58,184	514	4,294
Deferred investment tax credits	-	1,910	84	109	-	-
Other	471	763	-	2,624	-	-
	1,787	18,986	34,787	60,917	514	4,294
Shareholders' Equity:						
Common stock	2,774	24,214	8,244	1	1	2
Capital in excess of par	21,272	29,000	22,000	164,545	1,728	7,573
Retained earnings	139,927	16,283	52,345	(1,109)	510	(3,402)
Unamortized cost of shares issued under stock grant plan	(379)	-	-	-	-	-
Common stock in treasury, at cost	(33,795)	-	-	-	-	-
	129,799	69,497	82,589	163,437	2,239	4,173
	$ 353,154	$ 181,177	$ 135,639	$ 229,411	$ 3,192	$ 8,854

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	Arkansas Western Pipeline Company	Eliminations	Consolidated
Liabilities and Shareholders' Equity			
Current Liabilities:			
Current portion of long-term debt	$ -	$ -	$ 3,071
Accounts payable	13	-	23,989
Taxes payable	-	-	2,422
Customer deposits	-	-	4,619
Over-recovered purchased gas cost, net	-	-	7,327
Other	-	-	3,982
Total current liabilities	13	-	45,410
Long-Term Debt, less current portion above	-	(85,254) (a)	207,757
Other Liabilities:			
Deferred income taxes	137	-	115,461
Deferred investment tax credits	-	-	2,103
Other	-	-	3,858
	137	-	121,422
Shareholders' Equity:			
Common stock	2	(32,464) (a)	2,774
Capital in excess of par	-	(224,846) (a)	21,272
Retained earnings	78	-	204,632
Unamortized cost of shares issued under stock grant plan	-	-	(379)
Common stock in treasury, at cost	-	-	(33,795)
	80	(257,310)	194,504
	$ 230	$ (342,564)	$ 569,093

(a)To eliminate investment in subsidiaries.

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SOUTHWESTERN ENERGY COMPANY AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 1995
(in thousands)

	Southwestern Energy Company	Arkansas Western Gas Company	SEECO, Inc.	Southwestern Energy Production Company	A. W. Realty Company	Southwestern Energy Pipeline Company
RETAINED EARNINGS, beginning of year	$ 138,729	$ 22,758	$ 36,108	$ 4,168	$ 611	$ (3,004)
Net income (loss)	7,236	4,025	16,237	(5,277)	(101)	(398)
Cash dividends	(6,038)	(10,500)	-	-	-	-
RETAINED EARNINGS, end of year	$ 139,927	$ 16,283	$ 52,345	$ (1,109)	$ 510	$ (3,402)

	Arkansas Western Pipeline Company	Eliminations	Consolidated
RETAINED EARNINGS, beginning of year	$ 60	$ -	$ 199,430
Net income (loss)	18	(10,500) (d)	11,240
Cash dividends	-	10,500 (d)	(6,038)
RETAINED EARNINGS, end of year	$ 78	$ -	$ 204,632

(d)To eliminate intercompany dividends.

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PERIOD TYPE	YEAR
FISCAL YEAR END	DEC 31 1995
PERIOD END	DEC 31 1995
BOOK VALUE	PER BOOK
TOTAL ASSETS	$569,093,000
TOTAL OPERATING REVENUES	$153,111,000
NET INCOME	$11,240,000

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End of Filing

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