

December 11, 2013

Mr. Martin F. Baumann, Chief Auditor
Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington, D.C. 20006

Re: PCAOB Release No. 2013-005; Rulemaking Docket Matter No. 034;
Possible Revisions to PCAOB Standards Related to Reports on Audited
Financial Statements and Related Amendments to PCAOB Standards

Dear Mr. Baumann:

In Release No. 2013-005 (the "Release"), the Public Company Accounting Oversight Board (the "Board" or "PCAOB") solicited public comment about a proposed standard-setting project on the content and form of reports on audited financial statements. Southwestern Energy Company ("Southwestern" or "We") appreciates the opportunity to comment on the Release. We have not previously participated in the PCAOB's rule promulgation process and believe the concepts set forth in the Release warrant the response of both Southwestern and other financial reporting participants and consumers.

Our perspective in considering the Rule is informed by our public company status (we are a well-known seasoned issuer, as defined by the Securities and Exchange Commission ("SEC"), with an equity capitalization of approximately \$13 billion). We are dedicated to full and fair disclosure, transparency to financial statement users and capital markets, and responsible improvements in financial reporting and disclosure. Our comments on the Release are provided below.

I. OVERALL COMMENTS

We believe that any new promulgation should not change the basic relationship and responsibilities of an issuer's management, audit committee, and auditors. Accordingly, we believe that (1) management should continue to be responsible for preparing the financial statements, adopting appropriate accounting policies, and establishing and maintaining internal controls that report transactions in accordance with Generally Accepted Accounting Principles ("GAAP") and applicable federal securities laws, (2) the audit committee should continue to have the responsibility to oversee management's financial reporting process, and (3) the auditor should continue to have the responsibility to express an opinion on whether the financial statements and disclosures (taken as a whole) are presented in conformity with GAAP (in all material respects). With strong emphasis, we continue to believe that the auditor may make suggestions around the form or content of the financial statements; however, the auditor's responsibility should remain confined to an expression of an opinion on them.

II. CERTAIN RECOMMENDED AUDITOR REPORT CHANGES

We believe the single most important outcome produced by the audit is the auditor's report and have chosen to comment below on the three topics of most concern to us that relate to the contemplated auditor report changes. First, the current pass-fail model is succinct and clearly communicates that an audit of the company's financial statements and internal controls has taken place and that the issuer has presented financial statements in

accordance with GAAP, unless disclosed otherwise. We believe that an audit expectation gap exists between what a financial statement user expects and the actual assurance provided by an audit. This expectation gap exists because auditors are not guarantors against fraud and their audit provides reasonable assurance, rather than absolute assurance, on the accuracy of an issuer's financial statements. Any responsible improvement to the auditor's report that appropriately resolves this expectation gap would be supported by Southwestern.

Secondly, the Release addresses the inclusion of an emphasis paragraph. Although rarely used, we believe that the current auditor's framework provides for the inclusion of an emphasis paragraph in AU Section 508.19. We believe that any new requirement to include an emphasis paragraph will most likely result in boilerplate verbiage and not improve financial reporting, absent improved guidance about its use. If the Board determines that it is appropriate to mandate the use of an emphasis paragraph, we encourage the Board to ensure that any added paragraph will improve the financial reporting process and the usefulness of the audit report for financial statement users, rather than add boilerplate language that provides little value to financial statement users.

Finally, the Release addresses the inclusion of an auditor's discussion about difficult or contentious audit issues. It is important to note that an auditor already discusses difficult or contentious audit issues with the audit committee, in addition to estimates, accounting policies and practices. We do not believe that a discussion of these topics necessarily improves a financial statement user's understanding of an issuer's financial statements. Rather, we believe additional disclosure may confuse the user because it may introduce one or more competing acceptable accounting treatments. If an accounting treatment adopted and disclosed by management conforms to GAAP, then, by definition, such treatment is acceptable accounting and, under the standard of the auditor's report, must fairly present the issuer's financial position. We firmly believe that issuers – not auditors – are responsible for accounting policy election and application and should therefore be responsible for explaining those choices. We believe this is consistent with the primary and secondary roles of the issuer and its auditor, respectively, in connection with financial reporting. Accordingly, we do not support the use of a discussion paragraph about management's judgments and estimates, accounting policies and practices, and difficult or contentious audit issues.

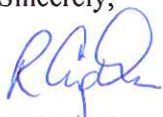
III. AUDITOR DISCUSSION AND ANALYSIS AND OTHER INFORMATION

Included in the Release is a proposal to include an Auditor Discussion & Analysis ("AD&A") in the auditor's report in order to provide financial statement users with a view of the financial statements and audit "through the eyes of the auditor." We believe this proposal would most likely result in the communication of original information about the company by the auditor, rather than the issuer. In our opinion, management has the best insight and ability to provide written commentary about the financial statements and financial condition of a company. We firmly believe that management is best suited to make judgments about market conditions, risks and other factors that might be relevant to financial statement users. The role of the auditor is to provide assurance, not information about an entity. We do not support the use of an AD&A.

Furthermore, the Release addresses auditor assurance on other information outside the financial statements, in particular Management Discussion and Analysis ("MD&A"). With emphasis, we would like to highlight that the auditor already reviews other information in documents containing audited financial statements and considers whether such information, or the manner of its presentation, is materially inconsistent with the financial statements or represents a material misstatement of fact. Expanding the audit process to include assurance for MD&A would substantially increase audit fees. If financial statement users do not understand the roles and responsibilities of the auditor with respect to information outside the financial statements, we support additional discussion in the audit report about the auditor's role and responsibilities.

Thank you for the opportunity to comment on the Release. If you have any additional questions, please contact us at (281) 618-4700.

Sincerely,



R. Craig Owen
Senior Vice President
and Chief Financial Officer



Josh C. Anders
Vice President and Controller



The Right People doing the Right Things,
wisely investing the cash flow from our
underlying Assets, will create Value+®