Knott Kenneth J.
Form 4
January 05, 2011

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

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

OMB APPROVAL
OMB Number: 3235-0287
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Knott Kenneth J.

(Last) (First) (Middle)

1775 SHERMAN STREET, SUITE 1200

(Street)

DENVER, CO 80203

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
SM Energy Co [SM]

3. Date of Earliest Transaction (Month/Day/Year)
01/03/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
VP- Bus Dev & Land & Ass Sec

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock: $.01 Par Value	01/03/2011		M		442	A	$ 13.39	11,037	D	
Common Stock: $.01 Par Value	01/03/2011		S(1)		442	D	$ 60	10,595	D	
Common Stock: $.01 Par Value	01/03/2011		M		2,806	A	$ 14.25	13,401	D	
Common Stock: $.01	01/03/2011		S(1)		2,806	D	$ 60	10,595	D	

Par Value

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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 Amour Underlying Securit (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo or Num of Share
Stock Option (Right-To-Buy)	$ 13.39	01/03/2011		M			442	(2)	10/22/2013	Common Stock: $.01 Par Value	44
Stock Option (Right-To-Buy)	$ 14.25	01/03/2011		M			2,806	(3)	12/31/2013	Common Stock: $.01 Par Value	2,8

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Knott Kenneth J. 1775 SHERMAN STREET SUITE 1200 DENVER, CO 80203			VP- Bus Dev & Land & Ass Sec	

Signatures

Karin M. Writer (Attorney-In-Fact)	01/05/2011
**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)** The sale reported in this Form 4 was affected pursuant to a Rule 10b5-1 Sales Plan adopted by Kenneth Knott on June 15, 2010.
- **(2)** The stock option (right-to-buy) vested as follows: 111 shares on 10-22-03, 111 shares on 9-30-04, 110 shares on 9-30-05, and 110 shares on 9-30-06.
- **(3)** The stock option (right-to-buy) vested as follows: 702 shares on 12-31-03, 702 shares on 9-30-04, 701 shares on 9-30-05, and 701 shares on 9-30-06.

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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