

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)
August 8, 2002 (August 7, 2002)

ST. MARY LAND amp; EXPLORATION COMPANY
(Exact name of registrant as specified in its charter)

| | | |
|---|--|--|
| Delaware (State or other jurisdiction of incorporation) | 000-20872 (Commission File Number) | 41-0518430 (I.R.S Employer Identification No.) |
|---|--|--|

1776 Lincoln Street, Suite 1100, Denver, Colorado 80203
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (303) 861-8140

Not applicable
(Former name or former address, if changed since last report.)

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

The following exhibit is furnished as part of this report:

Exhibit 99.1 Press release of St. Mary Land amp; Exploration
Company dated August 7, 2002.

Item 9. Regulation FD Disclosure

In accordance with General Instruction B.2 of Form 8-K, the following information, including Exhibit 99.1, shall not be deemed filed for purposes of Section 18 of the Securities and Exchange Act of 1934, nor shall such information and Exhibit be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such a filing.

The registrant issued a press release dated August 7, 2002 announcing its earnings and financial highlights for the second quarter of 2002. This press release is attached hereto as Exhibit 99.1.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ST. MARY LAND amp; EXPLORATION COMPANY

Date: August 8, 2002

Garry A. Wilkening
Vice President-Administration, Controller

For Information
 Mark A. Hellerstein
 Robert T. Hanley
 303-861-8140

ST. MARY REPORTS EARNINGS FOR SECOND QUARTER 2002

DENVER, August 7, 2002- St. Mary Land and Exploration Company (Nasdaq: MARY) today announced its earnings for second quarter 2002 of \$10.6 million or 38 cents per basic share. Second quarter 2001 earnings were \$14.2 million or 51 cents per basic share. Revenues for the second quarter of 2002 were \$50.0 million compared to \$55.8 million for the second quarter of 2001. Second quarter discretionary cash flow, which is computed as net income plus depreciation, depletion, amortization, impairments, deferred taxes and exploration expense, less the unrealized derivative gain, decreased from \$34.3 million in the second quarter of 2001 to \$33.2 million in the second quarter of 2002.

Earnings for the first six months of 2002 were \$12.9 million or 46 cents per basic share, compared to \$34.6 million or \$1.23 per basic share for the first six months of 2001. Revenues for the first six months of 2002 were \$92.8 million compared to \$124.1 million for the same period in 2001. Discretionary cash flow for the first six months decreased from \$81.6 million to \$57.9 million.

Daily oil and gas production during the second quarter 2002 averaged 150.1 million cubic feet of gas equivalent (MMCFE), up slightly from 149.6 MMCFE in the comparable 2001 period. Average prices realized during the quarter were \$3.03 per MCF and \$25.39 per barrel compared to \$4.08 per MCF and \$24.30 per barrel realized in the second quarter of 2001.

Mark Hellerstein, President and CEO commented, "The decline in revenue for the second quarter 2002 compared to the second quarter 2001 was primarily due to the 26% decline in realized natural gas prices, which was partially offset by \$2.9 million of gas marketing revenue. After the acquisition of a gas gathering system included in the Merchant acquisition made earlier this year, we began recognizing gas marketing revenue and operating expense separately. Included in second quarter 2002 income is a pre-income tax \$2.3 million mark-to-market unrealized derivative gain on an interest rate swap agreement entered into during the first quarter 2002."

An update of the Company's forecasts for the year 2002 is as follows:

| | Year |
|---|----------------------|
| Oil and Gas Production | 56 - 59 BCFE |
| Lease operating expenses, including production taxes and transportation | \$.90 - \$1.00/MCFE |
| General and administrative expense | \$.20 - \$.24/MCFE |
| Depreciation, depletion and amort. | \$.95 - \$1.05/MCFE |
| Exploration expense | \$18.0 - \$22.0 MM |

The current portion of income tax expense for the year is expected to be 10%-20% of total income taxes.

An operational update for the second quarter 2002 was provided in the Company's July 8, 2002 press release.

As previously announced, the St. Mary second quarter earnings teleconference call is scheduled for August 8 at 8:00 am (MDT). The call participation number is 888-424-5231. A digital recording of the conference call will be available two hours after the completion of the call, 24 hours per day until August 19 at 800-642-1687, conference number 4818567. International participants can dial 706-634-6088 to take part in the conference call, and can access a replay of the call at 706-645-9291, conference number 4818567. In addition the call will be broadcast live online at www.stmaryland.com. An audio recording of the conference call will be available at that site through August 19.

This release contains forward looking statements within the meaning of securities laws, including forecasts and projections for future periods. The words "will," "believe," "anticipate," "intend," "estimate," and "expect" and similar expressions are intended to identify forward looking statements. These statements involve known and unknown risks, which may cause St. Mary's actual results to differ materially from results expressed or implied by the forward looking statements. These risks include such factors as the volatility and level of oil and natural gas prices, production rates and reserve replacement, reserve estimates, drilling and operating service availability and uncertainties in cash flow, the financial strength of hedge contract counterparties, the availability

of attractive exploration and development and property acquisition opportunities and any necessary financing, expected acquisition benefits, competition, litigation, environmental matters, the potential impact of government regulations, and other such matters discussed in the "Risk Factors" section of St. Mary's 2001 Annual Report on Form 10-K filed with the SEC. Although St. Mary may from time to time voluntarily update its prior forward looking statements, it disclaims any commitment to do so except as required by securities laws.

PR-02-12

Financial Highlights Follow

ST. MARY LAND amp; EXPLORATION COMPANY
FINANCIAL HIGHLIGHTS

| | Three Months Ended | | % | Six Months Ended | | % |
|--|--------------------|----------|--------|------------------|-----------|--------|
| | June 30, | | | June 30, | | |
| | 2002 | 2001 | Change | 2002 | 2001 | Change |
| (Unaudited in thousands, except per share) | | | | | | |
| Revenues: | | | | | | |
| Oil and gas production | \$46,197 | \$55,421 | | \$87,290 | \$123,336 | |
| Gas marketing revenue | 2,939 | - | | 3,444 | - | |
| Other | 892 | 355 | | 2,067 | 787 | |
| | ----- | ----- | | ----- | ----- | |
| | 50,028 | 55,776 | | 92,801 | 124,123 | |
| | ----- | ----- | | ----- | ----- | |
| Operating Expenses: | | | | | | |
| Oil and gas production costs | 11,531 | 13,436 | | 25,561 | 25,493 | |
| Depletion, depreciation amp; amortization | 13,279 | 12,884 | | 26,333 | 24,172 | |
| Exploration | 4,297 | 2,149 | | 11,213 | 10,511 | |
| Impairment and abandonment | 622 | 681 | | 1,319 | 1,318 | |
| General and administrative | 3,015 | 3,536 | | 6,156 | 7,557 | |
| Unrealized derivative loss (gain) | (2,327) | - | | (1,975) | - | |
| Gas marketing expenses | 2,662 | - | | 3,086 | - | |
| Minority interest and other | 243 | 118 | | 620 | 379 | |
| | ----- | ----- | | ----- | ----- | |
| | 33,322 | 32,804 | | 72,313 | 69,430 | |
| | ----- | ----- | | ----- | ----- | |
| Income from operations | 16,706 | 22,972 | | 20,488 | 54,693 | |
| Interest income | 170 | 147 | | 280 | 335 | |
| Interest expense | (1,018) | - | | (1,470) | (35) | |
| | ----- | ----- | | ----- | ----- | |
| Income before income tax expense | 15,858 | 23,119 | | 19,298 | 54,993 | |
| Income tax expense - current | 1,205 | 4,547 | | 1,402 | 9,361 | |
| Income tax expense - deferred | 4,064 | 4,338 | | 4,989 | 11,005 | |
| | ----- | ----- | | ----- | ----- | |
| Net income | \$10,589 | \$14,234 | | \$12,907 | \$34,627 | |
| | ===== | ===== | | ===== | ===== | |
| Basic weighted average shares outstanding | 27,825 | 28,135 | | 27,805 | 28,185 | |
| | ===== | ===== | | ===== | ===== | |
| Basic earnings per common share: | \$0.38 | \$0.51 | | \$0.46 | \$1.23 | |
| | ===== | ===== | | ===== | ===== | |
| Diluted weighted average shares outstanding | 28,428 | 28,717 | | 28,347 | 28,826 | |
| | ===== | ===== | | ===== | ===== | |
| Diluted earnings per common share: | \$0.37 | \$0.50 | | \$0.46 | \$1.20 | |
| | ===== | ===== | | ===== | ===== | |
| Average price: | | | | | | |
| Oil | \$25.39 | \$24.30 | 4% | \$24.35 | \$24.92 | -2% |
| Gas | \$3.03 | \$4.08 | -26% | \$2.80 | \$4.75 | -41% |
| Margin analysis per MCFE: | | | | | | |
| Net realized price | \$3.38 | \$4.07 | -17% | \$3.18 | \$4.59 | -31% |
| Oil and gas production costs | \$0.84 | \$0.99 | -14% | \$0.93 | \$0.95 | -2% |
| General and administrative costs | \$0.22 | \$0.26 | -15% | \$0.22 | \$0.28 | -20% |
| | ----- | ----- | | ----- | ----- | |
| Operating margin | \$2.32 | \$2.82 | -18% | \$2.03 | \$3.36 | -40% |
| | ----- | ----- | | ----- | ----- | |
| Depletion, depreciation amp; amortization | \$0.97 | \$0.95 | 3% | \$0.96 | \$0.90 | 7% |

Production (in thousands):

| | | | | | | |
|------------|--------|--------|-----|--------|--------|-----|
| Oil (Bbls) | 673 | 595 | 13% | 1,378 | 1,203 | 15% |
| Gas (MCF) | 9,618 | 10,041 | -4% | 19,173 | 19,650 | -2% |
| MCFE (6:1) | 13,655 | 13,611 | 0% | 27,440 | 26,868 | 2% |

| BALANCE SHEET | Jun 30, 2002 | Dec 31, 2001 |
|----------------------|-----------------|-----------------|
| Working Capital | \$59,980 | \$34,000 |
| Long-term debt | 99,554 | 64,000 |
| Stockholders' equity | 295,625 | 286,117 |
| Shares outstanding | 27,857 | 27,770 |

| PROVEN RESERVES (in thousands): | Dec 31, 2001 |
|---------------------------------|-----------------|
| Domestic: | |
| Oil (Bbls) | 23,669 |
| Gas (MCF) | 241,231 |
| | ----- |
| MCFE (6:1) | 383,247 |
| | ===== |