

UNITED STATES
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)
February 26, 2004 (February 26, 2004)

St. Mary Land & Exploration Company
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-31539 (Commission File Number)	41-0518430 (I.R.S Employer Identification No.)
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1776 Lincoln Street, Suite 700, 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 & Exploration Company
dated February 26, 2004

Item 12. Results of Operations and Financial Condition.

On February 26, 2004, St. Mary Land & Exploration Company issued a press release announcing its full year and fourth quarter 2003 financial results and reaffirming its forecast for the first quarter and full year of 2004. 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 & EXPLORATION COMPANY

Date: February 26, 2004

By: /s/ DAVID W. HONEYFIELD

David W. Honeyfield
Vice President - Finance,
Treasurer and Secretary

For Information

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

ST. MARY REPORTS RECORD RESULTS FOR YEAR 2003

DENVER, February 26, 2004 - St. Mary Land & Exploration Company (NYSE: SM) today reported record earnings of \$95.6 million or \$2.80 per diluted share for the year ended December 31, 2003. Year 2002 earnings were \$27.6 million or \$0.97 per diluted share. Revenues for 2003 were \$393.9 million compared to \$196.4 million for 2002. St. Mary's discretionary cash flow(1) increased 95% from \$118.8 million in 2002 to \$232.1 million in 2003.

Oil and gas production for 2003 was a record 76.9 billion cubic feet of gas equivalent (BCFE), a 40% increase over 2002. The average realized price per MCFE increased \$1.38 to \$4.75 in 2003, a 41% increase from the average price realized in 2002. Estimated oil and gas reserves as of December 31, 2003 increased 21% to 594 BCFE from 491 BCFE at year-end 2002. Proved developed reserves are 89% of total proved reserves.

Earnings for the fourth quarter were \$24.7 million or \$0.72 per diluted share compared to \$7.0 million or \$0.24 per diluted share for the fourth quarter of 2002. Revenues for the fourth quarter of 2003 were \$98.4 million compared to \$52.1 million for the same period in 2002. Discretionary cash flow(1) for the fourth quarter increased 74% from the same period in 2002 to \$63.0 million. Average daily oil and gas production during the fourth quarter 2003 totaled 207.6 MMCFE, up 32% from 156.8 MMCFE in the comparable 2002 period. Average prices realized during the quarter were \$4.59 per Mcf and \$26.85 per barrel, which were 35% and 3% higher, respectively, than the realized prices in the fourth quarter of 2002.

During the fourth quarter of 2003 the Company realized net proceeds totaling \$21.7 million and recognized pre-income tax gains totaling \$7.5 million from the sales of certain property interests in its Permian Basin and Rocky Mountain regions.

Mark Hellerstein, Chairman, President and CEO, commented, "Our record earnings reflect a 40% increase in production, high commodity prices, and moderate increases in operating costs in 2003. We increased our estimated oil and gas reserves 21%, while the proved undeveloped portion of our reserves decreased from 12% to 11%. We replaced 293% of our production at an all-inclusive finding cost of \$1.05 per MCFE. Our balance sheet remains strong, and we enter 2004 on a positive note. Our organic drilling budget is up 12% to \$173 million over year 2003 expenditures, with significant continuing activity in Northeast Mayfield in

-1-

Oklahoma and in the Bakken play in the Williston Basin, where we believe we have significant running room into 2005 and possibly beyond. We have advanced the Hanging Woman Basin coalbed methane project to the development stage and expect production to begin next year. For the first time, we will be receiving 3-D seismic data over our entire 25,000-acre fee lands in St. Mary Parish, Louisiana. This was the legacy asset of the Company for decades that has produced 200 million barrels of oil and 3.5 TCF of gas. Our interest is large and additional development of the property has the potential to be very significant."

The Company's previously announced forecast for the first quarter and the full year of 2004 remains unchanged and is as follows:

	1st Quarter -----	Year -----
Production	18 - 20 BCFE	78 - 82 BCFE
Lease operating expenses, including production taxes and transportation	\$1.15 - \$1.25/MCFE	\$1.15 - \$1.25/MCFE
General and administrative exp.	\$0.35 - \$0.40/MCFE	\$0.32 - \$0.37/MCFE
Depreciation, depletion & amort.	\$1.05 - \$1.10/MCFE	\$1.10 - \$1.20/MCFE

In 2004, St. Mary's weighted average shares outstanding will reflect 31,623,241 common shares outstanding at December 31, 2003 less the Company's repurchase of 3,380,818 of those shares on February 9, 2004 from Flying J Oil & Gas Inc. and Big West Oil & Gas Inc., as previously announced in the Company's February 9, 2004 press release. If there are no significant share issuances during the remainder of 2004, on a weighted average basis the first quarter of 2004 will reflect approximately 1,900,000 less shares outstanding and the year 2004 will reflect approximately 3,100,000 less shares outstanding as compared to year-end 2003. The attached financial highlights include a table showing the impact of this transaction to our balance sheet on a pro-forma basis as of December 31, 2003.

As previously announced, the St. Mary year-end 2003 earnings teleconference call is scheduled for February 27 at 8:00 am (MST). 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 through March 12 at 800-642-1687, conference number 4951539. 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 4951539. In addition, the call will be broadcast live online and can be accessed by going directly to St. Mary's website home page at www.stmaryland.com. An audio recording of the conference call will be available at that site through March 12.

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," "forecast" 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

-2-

by the forward looking statements. These risks include such factors as the volatility and level of oil and natural gas prices, unexpected drilling conditions and results, 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 2002 Annual Report on Form 10-K filed with the SEC and the 2003 Annual Report on Form 10-K expected to be filed with the SEC on or about February 27, 2004. 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.

- (1) Discretionary cash flow is computed as net income plus depreciation, depletion, amortization, impairments, deferred taxes, exploration expense and non cash mark-to-market adjustments related to compensation plans, less the cumulative effect of change in accounting principle and unrealized derivative gain. See the attached financial highlights for a reconciliation of discretionary cash flow to net cash provided by operating activities, a presentation of other cash flow information, and a statement indicating why management believes the presentation of the non-GAAP measure of discretionary cash flow provides useful information to investors.

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-3-

ST. MARY LAND & EXPLORATION COMPANY
FINANCIAL HIGHLIGHTS
December 31, 2003
(Unaudited)

PRODUCTION DATA - - - - -	Three Months Ended December 31,			Percent Change	Year Ended December 31,			Percent Change
	2003	2002			2003	2002		
Average realized price:								
Gas (per Mcf)	\$ 4.59	\$ 3.39	35%	\$ 4.89	\$ 3.00	63%		
Oil (per Bbl)	\$ 26.85	\$ 26.06	3%	\$ 26.96	\$ 25.34	6%		
Production:								
Gas (MMcf)	11,966	9,880	21%	49,663	38,164	30%		
Oil (MBbls)	1,189	758	57%	4,541	2,815	61%		
MMCFE (6:1)	19,101	14,430	32%	76,909	55,055	40%		
Daily production:								
Gas (Mcf per day)	130,066	107,393	21%	136,062	104,558	30%		
Oil (Bbls per day)	12,925	8,242	57%	12,441	7,713	61%		
MCFE per day (6:1)	207,617	156,846	32%	210,709	150,836	40%		
Margin analysis per MCFE:								
Net realized price	\$ 4.55	\$ 3.69	23%	\$ 4.75	\$ 3.37	41%		
Oil and gas production costs	1.06	0.89	19%	1.15	0.92	25%		
General and administrative costs	0.39	0.26	50%	0.33	0.26	27%		
Operating margin	\$ 3.10	\$ 2.54	22%	\$ 3.27	\$ 2.19	49%		
Depletion, depreciation & amortization	\$ 1.08	\$ 1.06	2%	\$ 1.07	\$ 0.99	8%		

INCOME STATEMENT
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(In thousands, except per share amounts)

	Three Months Ended December 31,		Year Ended December 31,	
	2003	2002	2003	2002
Revenues:				

Oil and gas production	\$ 86,878	\$ 53,259	\$ 365,114	\$ 185,670
Gas marketing revenue	2,419	1,589	13,438	8,399
Gain (loss) on sale of proved properties	7,499	(2,543)	7,278	(2,633)
Derivative gain	-	-	-	3,188
Other	1,589	(235)	8,104	1,770
	-----	-----	-----	-----
	98,385	52,070	393,934	196,394
	-----	-----	-----	-----
Operating expenses:				
Oil and gas production costs	20,205	12,886	88,509	50,839
Depletion, depreciation, amortization and abandonment liability accretion	20,709	15,263	81,960	54,432
Exploration	5,985	4,069	26,653	19,501
Impairment and abandonment	(22)	540	3,981	2,446
General and administrative	7,480	3,755	25,179	14,299
Derivative loss	668	1,406	310	-
Gas marketing expenses	2,188	1,351	12,229	7,982
Minority interest and other	600	300	1,802	1,206
	-----	-----	-----	-----
	57,813	39,570	240,623	150,705
	-----	-----	-----	-----
Income from operations	40,572	12,500	153,311	45,689
Interest income	70	190	717	758
Interest expense	(1,542)	(1,288)	(7,958)	(3,868)
	-----	-----	-----	-----
Income before income tax expense	39,100	11,402	146,070	42,579
Income tax expense (benefit)- current	6,345	67	32,238	569
Income tax expense - deferred	8,080	4,356	23,692	14,450
	-----	-----	-----	-----
Income from continuing operations	24,675	6,979	90,140	27,560
Cumulative effect from change in accounting principle	-	-	5,435	-
	-----	-----	-----	-----
Net income	\$ 24,675	\$ 6,979	\$ 95,575	\$ 27,560
	=====	=====	=====	=====
Basic weighted avg shares outstanding	31,552	27,940	31,233	27,856
Diluted weighted avg shares outstanding	35,858	28,608	35,535	28,391
Basic earnings per common share:				
Income from continuing operations	\$ 0.78	\$ 0.25	\$ 2.89	\$ 0.99
Cumulative effect of accounting change	-	-	0.17	-
	-----	-----	-----	-----
Basic net income per common share	\$ 0.78	\$ 0.25	\$ 3.06	\$ 0.99
	=====	=====	=====	=====
Diluted earnings per common share:				
Income from continuing operations	\$ 0.72	\$ 0.24	\$ 2.65	\$ 0.97
Cumulative effect of accounting change	-	-	0.15	-
	-----	-----	-----	-----
Diluted net income per common share	\$ 0.72	\$ 0.24	\$ 2.80	\$ 0.97
	=====	=====	=====	=====

BALANCE SHEET

(In thousands)	Dec 31, 2003	Dec 31, 2002
Working capital	\$ 3,101	\$ 2,050
Long-term debt	\$ 110,696	\$ 113,601
Stockholders' equity	\$ 390,653	\$ 299,513
Shares outstanding - permanent equity	28,242	27,973
Shares outstanding - temporary equity	3,381	-
Note receivable from Flying J (contra-equity)	\$ 71,594	\$ -

PROVEN RESERVES

	Dec 31, 2003	Dec 31, 2002
Oil (MMbbls)	47,787	36,119
Gas (MMcf)	307,024	274,172
MMCFE (6:1)	593,744	490,887

CASH FLOW

(In thousands)

Reconciliation of Discretionary Cash Flow to Net Cash
Provided by Operating Activities:

	Three Months Ended December 31,		Year Ended December 31,	
	2003	2002	2003	2002
Discretionary Cash Flow (1)	\$ 63,005	\$ 36,175	\$ 232,053	\$ 118,762

(Gain) loss on property sales	(7,499)	1,707	(7,278)	1,797
Exploration exp, excluding exploratory dry hole exp	(5,000)	(3,685)	(18,171)	(11,824)
Minority interest & other	3,576	2,084	2,088	40
Changes in working capital	(677)	(724)	(4,373)	32,934
	-----	-----	-----	-----
Net Cash Provided by Operating Activities	\$ 53,405	\$ 35,557	\$ 204,319	\$ 141,709
	=====	=====	=====	=====
Net Cash Used in Investing Activities	\$ (43,291)	\$ (87,073)	\$ (196,939)	\$ (180,931)
	=====	=====	=====	=====
Net Cash Provided by (Used in) Financing Activities	\$ (2,401)	\$ 13,600	\$ (3,707)	\$ 46,260
	=====	=====	=====	=====

(1) Discretionary cash flow is computed as net income plus depreciation, depletion, amortization, impairments, deferred taxes, exploration expense, and non-cash mark-to-market adjustments related to compensation plans less the change in accounting principle and unrealized derivative loss. The non-GAAP measure of discretionary cash flow is presented since management believes that it provides useful additional information to investors for analysis of St. Mary's ability to internally generate funds for exploration, development and acquisitions. In addition, discretionary cash flow is widely used by professional research analysts and others in the valuation, comparison and investment recommendations of companies in the oil and gas exploration and production industry, and many investors use the published research of industry research analysts in making investment decisions. Discretionary cash flow should not be considered in isolation or as a substitute for net income, income from operations, net cash provided by operating activities or other income, profitability, cash flow or liquidity measures prepared under GAAP. Since discretionary cash flow excludes some, but not all, items that affect net income and net cash provided by operating activities and may vary among companies, the discretionary cash flow amounts presented may not be comparable to similarly titled measures of other companies.

PRO FORMA BALANCE SHEET IMPACT OF FLYING J SHARE REPURCHASE

(In thousands, except per share amounts)

On February 9, 2004, the Company repurchased from Flying J 3,380,818 restricted shares of common stock for a total of \$91.0 million. These shares were originally issued by St. Mary to Flying J on January 29, 2003, in connection with St. Mary's acquisition of oil and gas properties. In addition to issuing the shares in the acquisition, St. Mary loaned Flying J \$71.6 million. Flying J used the proceeds to repay their outstanding loan balance of \$71.6 million. Accrued interest, which has not been recorded by the Company for financial reporting purposes due to the non-recourse nature of the loan, was forgiven. The net \$19.4 million cash outlay was funded from the Company's existing cash balances and borrowings under its bank credit facility.

The following table shows the unaudited pro forma effects on the summarized consolidated balance sheet had the transaction occurred on December 31, 2003. The table assumes that the Company would have borrowed the necessary cash payment from its existing credit facility.

	December 31, 2003	Pro forma Adjustments	Unaudited Pro Forma December 31, 2003
	-----	-----	-----
Condensed balance sheet:			
Current assets	\$ 107,923		\$ 107,923
Property and equipment, net	611,287		611,287
Other noncurrent assets	16,644		16,644
	-----		-----
Total Assets	\$ 735,854		\$ 735,854
	=====		=====
Current liabilities	\$ 104,822		\$ 104,822
Debt, including senior debt	110,696	19,406	130,102
Other noncurrent liabilities, including minority interest	129,683		129,683
	-----		-----
Total Liabilities	345,201		364,607
Restricted stock held by Flying J	71,594	(71,594)	-
Note receivable from Flying J	(71,594)	71,594	-
	-----		-----
Total Temporary Equity	-		-
Total Equity	390,653	(19,406)	371,247
	-----		-----
Total Liabilities and Stockholders' Equity	\$ 735,854		\$ 735,854
	=====		=====
Selected share and per share information:			
Total common shares outstanding	31,623	(3,381)	28,242

Net book value per share

=====
\$ 12.35
=====

=====
\$ 13.15
=====