

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

FORM 8-K/A

CURRENT REPORT

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

Date of Report (Date of earliest event reported)
December 19, 2005 (December 15, 2005)

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.)

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.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2.):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

EXPLANATORY NOTE:

This amendment on Form 8-K/A to the registrant's Form 8-K dated December 16, 2005 and filed on December 19, 2005 is solely to refile the Form 8-K with correct EDGAR submission headers listing the items reported in the original Form 8-K, which items were inadvertently listed incorrectly in the EDGAR submission headers for the original Form 8-K filing. No changes have been made to the items or information reported within the body of or the exhibits to the original Form 8-K.

Item 1.01 Entry into a Material Definitive Agreement.

On December 15, 2005, the Board of Directors (the "Board") of St. Mary Land & Exploration Company (the "Company"), upon the review and recommendation by the Compensation Committee of the Board, approved the following items:

Amendments to Net Profits Interest Bonus Plan

The Board approved amendments to the Company's Net Profits Interest Bonus Plan (the "Net Profits Interest Plan") to:

- commencing with the 2006 pool to be established under the Net Profits Interest Plan, limit the amount of profits a participant may receive to no more than three times such participant's base compensation (for the year of the pool) from any given pool, proportionally reduced by such participant's percentage participation in the Net Profits Interest Plan;
- commencing with the 2006 pool, change the vesting period so that participants would vest in a pool by one-third in the year that participation is designated for such pool and one-third in each of the following two years;
- eliminate the ability of the Company and holders of two-thirds of the interests in any pool to cash out those with interests in the pool and substitute a right to terminate the entire Net Profits Interest Plan in accordance with proposed regulations under Section 409A of the Internal Revenue Code of 1986 ("Section 409A"); and
- commencing with the 2006 pool, allow the Company or any acquirer of the Company to purchase the rights of all participants in the Net Profits Interest Plan in the event of any acquisition of all or substantially all of the capital stock or assets of the Company.

A copy of the Net Profits Interest Plan, as amended and restated, is filed as Exhibit 10.1 to this report and is incorporated by reference herein.

Amendment to Restricted Stock Plan

The Board approved an amendment to the Company's Restricted Stock Plan in order to comply with the provisions of Section 409A and proposed regulations thereunder. Such amendment has the effect that participants in the Restricted Stock Plan will not be permitted to elect to further defer the settlement of restricted stock units awarded under the Restricted Stock Plan beyond the settlement date set forth in the award agreement for such units. A copy of the amendment to the Restricted Stock Plan is filed as Exhibit 10.2 to this report and is incorporated by reference herein.

Amendment to Employment Agreement of Mark A. Hellerstein

The Board approved an amendment to the employment agreement between the Company and Mark A. Hellerstein, Chairman, President and Chief Executive Officer, to:

- provide for a specific term for the agreement ending June 30, 2007 and certain compensation arrangements in the event that there is a termination of employment prior to that date; and
- provide that in order to comply with Section 409A any severance payments made pursuant to the Agreement will not commence until the expiration of six months from the date of separation from service.

A copy of the amendment to the employment agreement is filed as Exhibit 10.3 to this report and is incorporated by reference herein.

Charitable Contributions in Honor of Thomas E. Congdon

In recognition of the very long distinguished service for and extraordinary contributions to the Company by Thomas E. Congdon, a member of the Board since 1966, the Board authorized the Company to make charitable contributions by gift to the Museum of Contemporary Art - Denver for the purpose of establishing a lecture series with the museum in Mr. Congdon's honor. A summary of the timing and amounts of charitable contributions is filed as Exhibit 10.4 to this report and is incorporated by reference herein.

2006 Base Salaries for Named Executive Officers

The Board approved the base salaries for 2006 for certain executive officers of the Company, including the Chief Executive Officer and the four other highest compensated executive officers of the Company during 2005 by reference to total annual salary and bonus for 2005 (the "Named Executive Officers"). A summary of the 2006 base salaries for the Named Executive Officers is filed as Exhibit 10.5 to this report and is incorporated by reference herein.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

On December 15, 2005, Douglas W. York, Executive Vice President and Chief Operating Officer of the Company, notified the Company that it is his intention to resign from the offices of Executive Vice President and Chief Operating Officer of the Company during the first quarter of 2006. A copy of the press release issued by the Company on December 16, 2005 in connection with this pending management change is filed as Exhibit 99.1 to this report.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are filed as part of this report:

- | | |
|--------------|--|
| Exhibit 10.1 | Net Profits Interest Bonus Plan, as amended and restated on December 15, 2005 |
| Exhibit 10.2 | Amendment to St. Mary Land & Exploration Company Restricted Stock Plan dated December 15, 2005 |
| Exhibit 10.3 | Amendment to Employment Agreement of Mark A. Hellerstein dated December 16, 2005 |
| Exhibit 10.4 | Summary of Charitable Contributions in Honor of Thomas E. Congdon |
| Exhibit 10.5 | Summary of 2006 Base Salaries for Named Executive Officers |
| Exhibit 99.1 | Press release of St. Mary Land & Exploration Company dated December 16, 2005 |

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: December 19, 2005

By: /S/ DAVID W. HONEYFIELD
David W. Honeyfield
Vice President - Chief Financial Officer,
Treasurer and Secretary

NET PROFITS INTEREST BONUS PLAN

As Amended and Restated by the Board of Directors on December 15, 2005

The Net Profits Interest Bonus Plan of St. Mary Land & Exploration Company shall function as follows:

1. Annual Designation of Participation. Each year the Board of Directors of the Company shall designate the key employees of the Company eligible to participate in the Net Profits Interest Bonus Plan with respect to that calendar year. It is anticipated that such participants shall be more senior employees and fewer in number than the designated participants in the Company's Cash Bonus Plan.

2. Determination of Aggregate Net Profits Interest Benefit. Participants in the Net Profits Interest Bonus Plan shall receive a net profits interest in the Company's interest in oil and gas wells completed, plugged or abandoned or acquired by the Company (a "Pool") during the calendar year (the "Plan Year"). The aggregate amount of such net profits interest of all participants for such Plan Year shall be ten percent which interest shall apply after recovery by the Company from such wells of one hundred percent of all costs and expenses incurred by it with respect thereto, including but not limited to land, geological and geophysical costs but excluding (except as described in paragraph 5 below) interest, and such net profits interest shall increase to an aggregate of twenty percent from and after such time as the Company has recovered two hundred percent of all such costs and expenses incurred by it with respect to such wells, including prior compensation expenses resulting from application of the Net Profits Interest Bonus Plan at the preceding ten percent interest level. For purposes of the foregoing calculations, such wells shall be accounted for as a single pool (effective January 1, 1999 except as described in paragraph 5 below). In determining net profits, any recompletion, workover or similar expenditures for wells shall be charged against the revenues of such wells, as well as direct lease operating expenses, production taxes and overhead as determined solely by COPAS charges in the relative areas.

3. Allocation of Net Profits Interest Among Participants. Each key employee participating in the Net Profits Interest Bonus Plan with respect to a Plan Year shall be allocated a portion of the net profits interest for such Plan Year in proportion to his or her weighted base salary received during such Year relative to the weighted base salary received by all participants during such Plan Year, adjusted for a performance factor. The weighted base salary of the President and of the Executive Vice- Presidents of the Company shall be one hundred percent of their base salaries received during such Plan Year and of all other participants shall be two-thirds thereof; provided, however, that a reduced participation rate may be established by the Board of Directors for certain key employees whose duties involve them in only a portion of the Company's activities.

4. Payout Limit. The total amount payable to an employee participating in the Net Profits Interest Bonus Plan attributable to a Pool established with respect to the Plan Year 2006 and any subsequent Plan Year shall not exceed three times such participant's base salary for the Plan Year for which the Pool was established, proportionately reduced to the extent the factor used in calculating the weighted base salary is less than two-thirds. For example, if the factor used for calculating a participant's weighted base salary is one-third, then the limitation would be 50% of the participant's salary (i.e. one-third divided by two-thirds). With respect to each Multi-Year Pool established in the Plan Year 2006 or a later Plan Year, the Board of Directors shall specify appropriate limitations so that, taking into account the Pool for the Plan Year and that portion of a Multi-Year Pool allocated to such Plan Year, the aggregate amount payable to any employee for such Plan Year is limited to three times such participant's weighted base salary. Once a participant's payments with respect to a Pool have reached the limit, any additional amounts that would otherwise be payable to such participant shall be retained by the Company.

5. Multi-Year Projects: Separate Pool. The Board of Directors, in its discretion, may consider a significant acquisition or a multi-year project to be accounted for as a separate pool (a "Multi-Year Pool") with respect to the Net Profits Interest Bonus Plan as follows:

- (a) If the total costs incurred is greater than 75% of the average annual aggregate cost during the current year and the preceding two calendar years, the net

profits interest of the participants with respect to such large acquisition or multi-year project shall be a portion of the ten percent and twenty percent amounts set forth in paragraph 2 above equal to such percentages multiplied by a fraction of which the numerator is 75 percent and the denominator is the percentage which the cost of such acquisition or multi-year project is of the average annual aggregate costs expended by the Company for all other oil and gas wells during such year and during the preceding two calendar years (but exclusive of the foregoing and any other projects designated as separate pools); and

(b) Recovery of the Company's costs of such large acquisition or multi-year project shall include interest thereon calculated at the prime rate in effect from time to time;

(c) Notwithstanding the provisions of paragraph 3 above, participants in the Net Profits Interest Bonus Plan with respect to such Multi-Year Pool shall be allocated a portion of the net profits interest with respect thereto based upon their weighted base salaries for the calendar year such significant acquisition or multi-year project was completed or closed. The net profits interest in a multi-year project shall be allocated among the participants in the Net Profits Interest Bonus Plan for the calendar years in which the costs for such project are incurred until the project is deemed to be substantially complete on the basis of their weighted base salaries during such years;

(d) A transaction in which the Company acquires another company, or is acquired or merges, or otherwise acquires what is considered by the Compensation Committee of the Board of Directors of the Company another oil and gas business (in which event the Compensation Committee shall determine what other incentive compensation is appropriate, if any), as contrasted with what is considered a more customary acquisition of oil and gas properties, shall not constitute the acquisition of an oil and gas well project subject to the Net Profits Interest Bonus Plan.

6. Vesting. For all Pools with respect to Plan Years prior to 2006, the right to a portion of a net profits interest of a participant in the Pool shall vest in full in such participant on December 31 of the calendar year for which his or her participation is designated, provided that

the participant's employment by the Company did not terminate prior to that date for reasons other than disability (as defined below), retirement on or after attaining age 65 or death. Termination of a participant's employment subsequent to that date shall not affect his or her right to such net profits interest. Commencing with Pools (including Multi-Year Pools) for the 2006 Plan Year and for Pools for all subsequent Plan Years, the right to a portion of a net profits interest of a participant in the Pool for a Plan Year shall vest one-third (33 1/3%) in such participant on December 31 of the calendar year for which his or her participation is designated for such Pool; two-thirds (66 2/3%) on the next following December 31 and shall be fully vested on the second following December 31 (each such date is referred to herein as a "Vesting Date") provided that the participant's employment by the Company does not terminate prior to each Vesting Date for reasons other than disability, retirement on or after attaining age 65 or death. If the participant's employment with the Company terminates prior to a Vesting Date other than for reasons of disability, retirement on or after attaining age 65 or death, the participant shall forfeit any portion of such participant's interest in a Pool that is not vested. If a participant's employment with the Company terminates as a result of disability, retirement on or after attaining age 65 or death, and on such date the participant is not fully vested, the participant (or the participant's successor in interest) shall vest in accordance with the foregoing vesting schedule. Termination of a participant's employment for any reason subsequent to a Vesting Date shall not affect his or her right to the vested portion of the net profits interests. If a payment to a participant under this Plan with respect to any Pool would occur prior to the time the participant is 100% vested in the particular Pool (but before the participant has incurred a forfeiture of any portion of the participant's interest in such pool), the Company shall make only that percentage of a payment with respect to the Pool for which the participant is vested. Unless the participant terminates employment other than as a result of disability, retirement on or after attaining age 65 or death and prior to full vesting (in which case, upon termination any unvested amounts retained by the Company shall be forfeited), the Company shall pay the balance of any amount held by the Company for which the participant was not vested when payment was made later than 2 ½ months following the close of the Plan Year in which such participant becomes fully vested in such Pool. For purposes of this section, disability shall mean a physical or mental infirmity which impairs the employee's ability to substantially perform his employment duties with the Company on a full-time basis for a period of 120 consecutive business days, and the

employee has not returned to full-time performance of his employment duties within 30 days after notice by the Company of its intention to terminate employment of the employee as a result thereof.

7. Pool Payments Not Compensation for Other Purposes. Allocations or payments to participants under the Net Profits Interest Bonus Plan shall not be deemed to constitute compensation of any nature for purposes of any other compensation, retirement or other benefit plan of the Company. To the extent that any such other plan contains provisions contrary to the foregoing sentence, such other plan shall be deemed to be amended to conform to the foregoing sentence.

8. No Ownership of Underlying Assets. Net profits interests allocated under the Net Profits Interest Bonus Plan shall not constitute for the participants therein the ownership of real property interests in the mineral properties of the Company. Rather such net profits interests shall constitute solely a right to receive payments from the Company, or from a fund or trust established by the Company for that purpose, the amount of which shall be determined by such net profits interests and the Net Profits Interest Bonus Plan.

9. Timing of Payments. Payments to participants under the Net Profits Interest Bonus Plan shall be made annually, or more frequently as determined by the Board of Directors. The right to payments under the Net Profits Interest Bonus Plan shall not be subject to voluntary or involuntary assignment by any participant thereunder other than as follows:

(a) upon death pursuant to:

(i) a will;

(ii) the laws of descent and distribution; or

(iii) a beneficiary designation form approved by the Company and executed by the participant which designates the persons or entities to receive, upon the participant's death, the right to payments under the Net Profits Interest Bonus Plan which the participant had upon the participant's death; or

(b) pursuant to a qualified domestic relations order, as defined under Section 414(p) of the Internal Revenue Code of 1986 (the "Code"), relating to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child or other dependent of the participant.

The Company shall have the right to require that any recipient of payments under the Net Profits Interest Bonus Plan who is not an employee of the Company at the time of payment shall be responsible for the payment of all amounts required to satisfy all federal, state and local withholding taxes applicable to such recipient with respect to such payments under the Net Profits Interest Bonus Plan.

10. Termination Right. The Company shall have the right at any time or from time to time to terminate the plan and acquire the rights of all participants in the Plan for their fair market values (reflecting the discounted present values of the payment of such purchase price) if the participants holding no less than two-thirds of the aggregate values of the interests in the Plan have agreed in writing to the terms and conditions of a buy-out. The Company may exercise such right only if:

(a) it terminates all arrangements that would be aggregated with this Plan under Prop. Reg. § 1.409A-1(c) (or any subsequent corresponding provision of law);

(b) no payments other than payments that would be payable under the terms of this Plan and all other plans that would be aggregated with this Plan are made within 12 months of the termination;

(c) all termination payments are made within 24 months of the date of termination; and

(d) the Company does not adopt any new plan or arrangement that would be aggregated with this Plan if any participant in this Plan would participate in such other plan or arrangement at any time within 5 years following the date of termination of this Plan.

11. Change of Control Provision. In the event of any acquisition of substantially all of the capital stock or assets of the Company as a result of a merger, tender offer or comparable transaction, the Company or the acquiror may elect to purchase the net profits interests of all of the participants in the Net Profits Interest Bonus Plan with respect to all Plan Years from and after the Plan Year 2006. Such election shall be made prior to the elapse of six months following the substantial completion of such change of control transaction.

The purchase prices of such net profits interests shall be their fair market values (reflecting the discounted present values of the payment of such purchase price) determined by good faith negotiations between the Company or the acquiror and representatives of the Net Profits Interest Bonus Plan, and such purchase prices shall be payable in cash promptly following their determination. Such representatives shall be the three participants who hold the three aggregate largest interests in the affected Plan Years, as determined by the Company or the acquiror, and who are willing and able to serve in such capacity. The Company or the acquiror and such representatives may, at the expense of the Company or the acquiror, engage such consultants to assist with such determination as they may select. In the event that following a reasonable period of time the Company or the acquiror and such representatives are unable to reach agreement on such fair market values or any portion thereof, the determination of such fair market values shall be made by an independent party of recognized national stature with competence and experience with respect to the sale and purchase of interests in oil and gas properties and the valuation thereof. The above described determination shall be final, conclusive and binding on all participants in the Net Profits Interest Bonus Plan.

In making such determination of the purchase prices of the net profits interests set forth above, the Company or the acquiror and the representatives of the Net Profits Interest Bonus Plan, and the above described independent party if applicable, shall consider all facts and circumstances they deem to be reasonably relevant, including but not limited to the terms of the transaction constituting the above described change of control. The Company or the acquiror and the representatives of the Net Profits Interest Bonus Plan shall have no liability with respect to the above described determination except for gross negligence or willful neglect and such representatives shall be indemnified by the Company or the acquiror with respect to any claim

arising out of such determination, and any expense associated therewith, including reasonable attorney's fees, in the absence of gross negligence and willful neglect.

12. Interpretation of Plan. All matters with respect to the interpretation and application of the Net Profits Interest Bonus Plan shall be conclusively determined by the Compensation Committee of the Board of Directors of the Company.

13. Reservation of Right to Terminate or Amend. The Net Profits Interest Bonus Plan may be terminated or modified prospectively at any time by the Board of Directors. Notwithstanding the foregoing, no payment of benefits shall be made to participants except to the extent otherwise provided herein. Nothing contained in the Net Profits Interest Bonus Plan shall constitute a contract, express or implied, or any other type of obligation with respect to the employment or the continued employment by the Company of any person.

14. Section 409A Compliance. This Plan is intended in all respects to comply with the provisions of Section 409A of the Code and the Company shall interpret and administer the Plan in all respects in a manner consistent with such provisions. In accordance with Prop. Reg. § 1.409A-3(h)(2)(vi) (or any subsequent corresponding provision of law), should there be a final determination that this Plan fails to meet the requirements of Section 409A and the regulations thereunder with respect to any participant, the Company may distribute to the participant an amount not to exceed the amount required to be included in income as a result of the failure to comply with the requirements of Section 409A and the regulations. Notwithstanding anything herein to the contrary, in the event of any payment to a "specified employee" as defined by Code §409A(a)(2)(B)(i), any payment that would otherwise be made on account of such employee's separation from service before the expiration of six months following the date of such separation shall be made on the first day following the expiration of six months from the date of separation of service.

**AMENDMENT TO ST. MARY LAND & EXPLORATION COMPANY
RESTRICTED STOCK PLAN**

This Amendment (the "Amendment") to the St. Mary Land & Exploration Company Restricted Stock Plan (the "Plan") is made by St. Mary Land & Exploration Company, a Delaware corporation (the "Company") on this ____ day _____, 2005 and effective as of January 1, 2005.

RECITALS

A. On or about February 17, 2005, the board of directors of the Company passed a resolution providing that restrictive stock units awarded effective in March of 2005 pursuant to the Plan shall not permit any participant to elect to further defer any settlement.

B. The Company desires to amend certain provisions of the Plan in order to comply with the provisions of Section 409A of the Internal Revenue Code of 1986 and official guidance thereunder.

C. Pursuant to Article IX of the Plan, the board of directors of the Company has the power to amend, modify or terminate the Plan provided that any such amendment, modification or termination shall not adversely effect any outstanding awards granted under the Plan without the consent of the participant holding the award.

D. Capitalize terms used but not defined in this Amendment shall have the meaning given to such terms in the Plan.

NOW THEREFORE, in consideration of the mutual agreements set forth herein, the parties hereto agree as follows:

AGREEMENT

Section 1. Section 2.1(g). which defines the term "Deferral Period" shall be deleted and all subsequent subsections of Section 2.1 shall be relettered accordingly.

Section 2. Section 2.1(n) containing the definition of Restricted Stock Unit shall be amended in its entirety to read as follows:

“Restricted Stock Unit” means an Award under Article VI of the right to receive Stock or cash or a combination thereof upon settlement, subject to the specific terms and conditions of the Award as set forth in the Award Agreement.

Section 3. Section 6.2(b)(i) shall be amended in its entirety to read as follows (with insertions and deletions to the text as indicated):

(b) Restricted Stock Unit Awards.

(i) Nature of Restricted Stock Units; Accounts. Each Restricted Stock Unit awarded shall represent a right for one share of Stock to be delivered upon settlement of the Award ~~at the end of the Deferral Period, which right shall be~~ subject to a risk of forfeiture and cancellation and to the other terms and conditions set forth in the Plan and the Award Agreement. The Company shall establish and maintain a Participant account to record Restricted Stock Units and transactions and events affecting such units. Restricted Stock Units and other items reflected in the account will represent only bookkeeping entries by the Company to evidence unfunded obligations of the Company.

Section 4. Section 6.2(b)(ii) shall be amended in its entirety to read as follows (with insertions and deletions to the text as indicated):

(ii) Deferral Period and Settlement Date. ~~Except as otherwise provided under the Plan,~~ Restricted Stock Units (if not previously cancelled or forfeited) shall be settled on ~~or about~~ the date or dates set forth in the Award Agreement. ~~The board may permit the Participant to elect to further defer settlement (thereby extending the Deferral Period), subject to such terms and conditions as the Board may specify.~~ In addition, unless otherwise determined by the Board, if the Board reasonably determines that any settlement of Restricted Stock Units would result in payment of compensation to a Participant which is not deductible by the Company under Section 162(m) of the Code, such settlement shall be deferred to the extent necessary to avoid payment of such non-deductible compensation, with such deferral continuing only until such date as settlement

can be effected without loss of deductibility by the Company under Section 162(m) of the Code.

Section 5. A new Article XVI shall be added to the Plan to read as follows:

ARTICLE XVI

Section 409A

This Plan is intended in all respects to comply with the provisions of Section 409A of the Code and the Company shall interpret and administer the Plan in a manner consistent with Section 409A. In accordance with Prop. Reg. § 1.409A-3(h)(2)(vi) (or any subsequent corresponding provision of law), should there be a final determination that this Plan fails to meet the requirements of Section 409A and the regulations thereunder with respect to any participant, the Company may distribute to the participant an amount not to exceed the amount required to be included in income as a result of the failure to comply with the requirements of Section 409A and the regulations.

Section 6. Execution and Counterparts and By Facsimile. This Amendment may be executed in counterparts, and signature pages may be delivered by facsimile transmission.

IN WITNESS WHEREOF, this Amendment to the Employment Agreement is hereby duly executed by each party on the date first above written.

THE COMPANY:

ST. MARY LAND & EXPLORATION COMPANY,
a Delaware corporation

By:

Mark A. Hellerstein
Chairman, President and Chief Executive Officer

**AMENDMENT TO
EMPLOYMENT AGREEMENT**

This Amendment (the "Amendment") to the Employment Agreement (the "Agreement") between St. Mary Land & Exploration Company, a Delaware corporation formerly known as St. Mary Parish Land Company (the "Company"), and Mark A. Hellerstein ("Hellerstein"), is executed by the Company and Hellerstein on this 16th day of December, 2005 and effective as of January 1, 2005.

RECITALS

A. The Company and Hellerstein desire to amend certain provisions of the Agreement in order to conform such provisions to the requirements of Section 409A of the Internal Revenue Code of 1986 (the "Code") and to provide for a specific term for the Agreement ending June 30, 2007; and

B. Capitalized terms used but not defined in this Amendment shall have the meanings given to them in the Agreement.

NOW, THEREFORE, in consideration of Hellerstein's continued employment with the Company and the mutual agreements set forth herein, the parties hereto agree as follows:

AGREEMENT

Section 1. Amendments to Agreement.

(a) Section 3.(a) is revised so that it shall read as follows:

This Agreement shall continue in effect until June 30, 2007 (the "Expiration Date"). In the event that there is any termination of the employment of Hellerstein prior to the Expiration Date by St. Mary for any reason other than the occurrence of an event described in subparagraph (c) below or by Hellerstein due to a material reduction by St. Mary of his position, duties or responsibilities,

St. Mary shall, provided that Hellerstein continues to be reasonably available to consult with St. Mary, continue for Hellerstein until the Expiration Date the following:

- (i) the base salary compensation of Hellerstein at its rate at the time of such termination;
 - (ii) additional bonus and incentive compensation for Hellerstein pursuant to St. Mary plans and programs established therefor, including the additional vesting through the Expiration Date of grants, awards or payments under such plans and programs, in the same general manner and to the same general extent as in effect for him at the time of such termination; and
 - (iii) the participation of Hellerstein in the fringe benefits and other benefit plans of St. Mary, including retirement benefits, life insurance and health and hospitalization benefits and insurance, in the same general manner and to the same general extent as in effect for him at the time of such termination.
- (b) Section 3.(b) is renumbered as 3.(c) and the following new Section 3.(b) is added as follows:

Notwithstanding anything to the contrary herein, any payments that are to be made to Hellerstein under other provisions of this Agreement which, under Section 409A(a)(2)(B)(i) of the Code, may not be made before the date which is six months after the date of Hellerstein's separation from employment service (the "Section 409A Six-Month Waiting Period") shall not be made during the Section 409A Six-Month Waiting Period. Rather, any such payments shall be deferred and made immediately following the expiration of the Section 409A Six-Month Waiting Period. In particular, with respect to the severance payments provided for under Section 3(a) of this Agreement, (i) such severance payments that would otherwise be made during the Section 409A Six-Month Waiting Period shall be

made in one lump sum upon the expiration of the Section 409A Six-Month Waiting Period, and (ii) severance payments for the remaining six-month period (immediately after the expiration of the Section 409A Six-Month Waiting Period) of the one full year of severance payments to which Hellerstein may become entitled under Section 3(a) of this Agreement shall also be made in lump sum upon the expiration of the Section 409A Six-Month Waiting Period.

(c) A new Section 3.(d) is added as follows:

This Agreement is intended in all respects to comply with the provisions of Section 409A of the Code and in particular, those provisions of Section 409A dealing with distributions. The Company and Hellerstein shall interpret and apply the provisions of this Agreement in a manner consistent with Code Section 409A.

Section 2. Execution and Counterparts and By Facsimile. This Amendment may be executed in counterparts, and signature pages may be delivered by facsimile transmission.

* * * * *

IN WITNESS WHEREOF, this Amendment to the Employment Agreement is hereby duly executed by each party on the date first above written.

THE COMPANY:

ST. MARY LAND & EXPLORATION COMPANY,
a Delaware corporation

By:

Name: David W. Honeyfield
Title: Vice President - Chief Financial
Officer, Treasurer and Secretary

HELLERSTEIN:

Mark A. Hellerstein

**SUMMARY OF CHARITABLE CONTRIBUTIONS IN
HONOR OF THOMAS E. CONGDON**

On December 15, 2005, the Board of Directors of St. Mary Land & Exploration Company (the "Company"), in recognition of the very long distinguished service for and extraordinary contributions to the Company by Thomas E. Congdon, who has served as a member of the Board of Directors of the Company since 1966 and served as an officer of the Company for more than 36 years, authorized the Company to make charitable contributions by gift to the Museum of Contemporary Art - Denver for the purpose of establishing a lecture series with the museum in Mr. Congdon's honor, pursuant to the following schedule:

<u>Year</u>	<u>Amount</u>
2005	\$50,000
2006	\$50,000

SUMMARY OF 2006 BASE SALARIES FOR NAMED EXECUTIVE OFFICERS

The following sets forth a summary of the base salaries for 2006 for the Chief Executive Officer of St. Mary Land & Exploration Company (the "Company") and the four other highest compensated executive officers of the Company during 2005 by reference to total annual salary and bonus for 2005 (the "Named Executive Officers"), which base salaries for 2006 were approved by the Board of Directors of the Company on December 15, 2005.

<u>Name and Principal Position</u>	<u>2006 Base Salary</u>
Mark A. Hellerstein President and Chief Executive Officer	\$402,700
Douglas W. York Executive Vice President and Chief Operating Officer	\$270,000
Robert L. Nance Senior Vice President	\$240,000
Jerry R. Schuyler Senior Vice President and Regional Manager	\$203,000
Kevin R. Willson Senior Vice President and Regional Manager	\$205,000

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

ST. MARY ANNOUNCES PENDING MANAGEMENT CHANGE

DENVER – December 16, 2005 – St. Mary Land & Exploration Company (NYSE: SM) today announced that Douglas W. York, Executive Vice-President and Chief Operating Officer (COO), plans to leave the Company during the first quarter of 2006. The Company has commenced a search for his successor, and in order to facilitate a smooth transition, Mr. York will continue in his current role until a mutually suitable time in the first quarter of 2006.

Mr. York has been with the Company nearly 10 years. He served as Vice-President -Acquisitions and Reservoir Engineering from 1996 until September 2003, when he was promoted to Executive Vice-President and Chief Operating Officer.

Mark Hellerstein, Chairman, President and Chief Executive Officer, commented, "Doug has been a large part of St. Mary's success as well as its culture over the past 10 years. Not only has he made great personal contributions to our success, he has also helped foster our strong regional leadership group. We wish Doug the very best."

This release contains forward-looking statements within the meaning of securities laws, including plans for future periods. The words "will" and "plans" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, which may cause actual results to differ materially from results expressed or implied by the forward-looking statements. These risks include such factors as the pending nature of the reported management change and other matters discussed in the "Risk Factors" section of St. Mary's 2004 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.

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