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)
July 5, 2011 (June 28, 2011)

SM Energy 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.)

1775 Sherman Street, Suite 1200, Denver, Colorado (Address of principal executive offices)	80203 (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))

Item 1.01 Entry into a Material Definitive Agreement.

On June 29, 2011, SM Energy Company (the "***Company***") entered into an Acquisition and Development Agreement (the "***Agreement***") by and between the Company and Mitsui E&P Texas LP ("***Mitsui***"), an indirect subsidiary of Mitsui & Co., Ltd. ("***Mitsui Parent***"). Pursuant to the Agreement, the Company agreed to transfer to Mitsui a 12.5% working interest in certain oil and gas assets (representing approximately 39,000 net acres), which are located in Dimmit, LaSalle, Maverick and Webb Counties, Texas (the "***Oil and Gas Assets***"), and which are currently operated by Anadarko E&P Company LP, as well as half of the Company's ownership in certain midstream gathering assets related to the Oil and Gas Assets (the "***Midstream Assets***"), and various other related interests, rights, contracts, records, fixtures, equipment, and other assets (collectively, the "***Assets***"). The Assets exclude certain contracts, rights, claims, credits, records, data and other assets. The effective date of the transfer of the Assets is March 1, 2011. The transaction is expected to close in the third quarter of 2011, subject to the satisfaction of certain closing conditions.

In return for the transfer of the Assets, Mitsui has agreed to pay 90% of the Company's costs and expenses relating to drilling, completing and equipping all wells (i) targeting the Eagle Ford Shale and related to the Oil and Gas Assets during the first three years following the closing of the transaction and (ii) targeting any formation (including the Eagle Ford Shale) and related to the Oil and Gas Assets thereafter, but, in each case, excluding costs related to the Midstream Assets (collectively, the "***Eligible Costs***"), until Mitsui has expended an aggregate $680 million on behalf of the Company (the "***Carried Cost Obligation***"). The Carried Cost Obligation is subject to certain adjustments, including adjustments for title defects, unresolved consents and environmental defects. In addition, upon execution of the Agreement, Mitsui deposited $15.0 million into escrow pursuant to the terms of the Agreement (the "***Deposit***"). Mitsui will also reimburse the Company for (i) Mitsui's share of capital and operating expenses related to the Assets (net of revenues) for the period from March 1, 2011, until closing and (ii) 50% of the Company's total capital expenditures related to the Midstream Assets (net of revenues) prior to the closing. In support of Mitsui's Carried Cost Obligation, Mitsui Parent has executed and delivered a parent guarantee in favor of the Company. In addition, if Mitsui and Mitsui Parent fail to fund any Eligible Costs as required by the Agreement and fail to remedy such failure within 45 days, the Company may require Mitsui to reassign to the Company that portion of the Assets with a cash value equivalent to the then outstanding Carried Cost Obligation.

The Agreement contains customary representations and warranties and covenants by Mitsui and the Company. Among other things, during the period between the execution of the Agreement and the closing date, the Company has agreed (i) subject to required third party consents, to obtain for Mitsui reasonable access to the Assets and the records pertaining to the Assets; (ii) to give Mitsui notice of certain material events regarding the Assets; and (iii) to restrict certain activities relating to the Assets. The Company has also agreed to provide certain transition services following the closing for a period up to three months to allow for an orderly transition of the Assets to Mitsui.

The Agreement provides Mitsui and the Company certain termination rights, including: (i) the parties may terminate by mutual consent; (ii) the Company may terminate on or after October 17, 2011, if Mitsui is in breach of any of its representations, warranties or covenants and such breach gives rise to a failure of a closing condition; (iii) Mitsui may terminate on or after October 17, 2011, if the Company is in breach of any of its representations, warranties or covenants and such breach would give rise to a failure of a closing condition, if the remediation cost (net to Mitsui's interest) for any single environmental defect exceeds $12.5 million or if the aggregate remediation cost (net to Mitsui's interest) for all environmental defects exceeds 10% of the aggregate Carried Cost Obligation; or (iv) Mitsui or the Company may terminate on or after October 17, 2011, if (a) the sum of the aggregate value of all title defects, the aggregate remediation cost (net to Mitsui's interest) for all environmental defects and the value of properties excluded as a result of failure to obtain required consents exceeds 15% of the aggregate Carried Cost Obligation, (b) any action or suit is pending that seeks to prohibit, restrain or enjoin or obtain substantial damages in connection with the transactions contemplated by the Agreement or any order, award or judgment has been issued that prohibits, restrains or enjoins or awards substantial damages in connection with the transactions contemplated by the Agreement, or (c) certain specified consents have not been obtained. If the Company terminates the Agreement because of Mitsui's willful breach of the Agreement, then the Company may (i) retain the Deposit and seek additional damages (which such additional damages are capped at 25% of the unadjusted Carried Cost Obligation) or (ii) seek specific performance.

The Company has agreed to indemnify Mitsui after the closing, subject to certain limitations, for losses incurred by Mitsui for (i) any breach of the Company's representations and warranties, (ii) any breach of the Company's covenants, (iii) liabilities associated with assets or properties not part of the Assets, (iv) liabilities associated with litigation retained by the Company, (v) liabilities associated with certain potential tax liabilities, (vi) any off-site environmental liabilities, which relate to the Assets and are attributable to the period of the Company's ownership of the Assets but prior to March 1, 2011, (v) any claims for bodily injury, illness or death arising from the ownership or operation of the Assets during the period of the Company's ownership of the Assets but prior to March 1, 2011, (vi) any wells in which the Company participated and were abandoned prior to March 1, 2011, (vii) any claims that the Company failed to properly pay any royalties prior to March 1, 2011, (viii) any amounts payable to any affiliate of the Company that relate to Assets for periods prior to March 1, 2011, and (ix) any fines or penalties levied by a governmental authority for violation of any law with respect to the Assets prior to March 1, 2011. Mitsui has agreed to indemnify the Company after the closing, subject to certain limitations, for losses incurred by the Company for (a) any breach of Mitsui's representations and warranties, (b) any breach of Mitsui's covenants, and (c) all liabilities attributable to the Assets for which the Company has not specifically agreed to indemnify Mitsui (or which are not borne by the Company as part of a pre- and post-effective time cost allocation). The parties' indemnification obligations are subject to customary deductible, survival and overall cap limitations.

Item 7.01 Regulation FD Disclosure.

In accordance with General Instruction B.2. of Form 8-K, the following information, including Exhibit 99.1 and Exhibit 99.2, shall not be deemed filed for purposes of Section 18 of the Securities 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.

On June 28, 2011, the Company issued a press release announcing that the Company had scheduled a teleconference call to discuss the second quarter of 2011 earnings results and other operational matters on August 2, 2011, at 8:00 a.m. Mountain time (10:00 a.m. Eastern time). The teleconference is publicly accessible, and the press release includes instructions as to when and how to access the teleconference and the location on the Company's website where the teleconference information will be available. A copy of the press release is furnished as Exhibit 99.1 to this report.

On June 29, 2011, the Company issued a press release announcing that the Company had entered into the Agreement. A copy of the press release is furnished as Exhibit 99.2 to this report and incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.	The following exhibits are furnished as part of this report:
Exhibit 99.1	Press release of the Company dated June 28, 2011, entitled "SM Energy Schedules Second Quarter 2011 Earnings Conference Call"
Exhibit 99.2	Press release of the Company dated June 29, 2011, entitled "SM Energy Announces $680 Million Carry Agreement in Non-Operated Eagle Ford Shale Position"

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.

SM ENERGY COMPANY

Date:July 5, 2011

By:/s/ David W. Copeland
David W. Copeland
Senior Vice President, General Counsel and Corporate Secretary

Exhibit 99.1

For Information
Brent A. Collins
303-861-8140

FOR IMMEDIATE RELEASE

SM ENERGY SCHEDULES SECOND QUARTER 2011 EARNINGS CONFERENCE CALL

DENVER, CO – June 28, 2011 – SM Energy Company (NYSE: SM) is scheduled to release details regarding its earnings for the second quarter of 2011 after the close of trading on the NYSE on August 1, 2011. The teleconference to discuss these results and other operational matters is scheduled for August 2, 2011, at 8:00 a.m. Mountain time (10:00 a.m. Eastern time). The call participation number is 800-573-4842 and the participant passcode is 91627792. An audio replay of the call will be available approximately two hours after the call at 888-286-8010, with the passcode 51587016. International participants can dial 617-224-4327 to take part in the conference call, using passcode 91627792, and can access a replay of the call at 617-801-6888, using passcode 51587016. Replays can be accessed through August 9, 2011.

This call is being webcast live and can be accessed at SM Energy Company's website at sm-energy.com. An audio recording of the conference call will be available at that site through August 9, 2011.

ABOUT THE COMPANY

SM Energy Company is an independent energy company engaged in the exploration, exploitation, development, acquisition, and production of natural gas, natural gas liquids, and crude oil. SM Energy routinely posts important information about the Company on its website. For more information about SM Energy, please visit its website at sm-energy.com.

Exhibit 99.2

For Information
Brent A. Collins
303-861-8140

FOR IMMEDIATE RELEASE

SM ENERGY ANNOUNCES $680 MILLION CARRY AGREEMENT IN NON-OPERATED EAGLE FORD SHALE POSITION

- *Company enters into Acquisition and Development Agreement concerning 12.5% working interest in its non-operated acreage position*
- *SM Energy will be carried for between 90% and 100% on non-operated drilling and completion costs until the carry is exhausted*

DENVER, CO – June 29, 2011 – SM Energy Company (NYSE: SM) announces it has entered into an agreement with a subsidiary of Mitsui & Co., Ltd. concerning a 12.5% working interest in its non-operated Eagle Ford shale position. The Company will be carried on 90% of its drilling and completion costs (excluding costs associated with construction of mid-stream gathering assets) in this acreage until $680 million has been expended for the benefit of SM Energy. The purchaser will also reimburse SM Energy for the purchaser's share of capital expenditures and other costs, net of revenues, related to the period between the effective date of March 1, 2011, and the closing date. These reimbursed costs (net of revenues), estimated to range between $20 and $40 million, will be payable to SM Energy at closing and the Company will apply these funds to the remaining 10% of SM Energy's drilling and completion costs in this acreage. As a result, the Company will effectively be 100% carried until this reimbursement amount is exhausted. Once the reimbursement dollars have been expended, the Company will remain 90% carried until the remaining portion of the $680 million carry has been spent. The purchaser will also reimburse SM Energy for 50% of the Company's total capital investment expenditures in the related mid-stream assets in which the purchaser is acquiring an interest. This reimbursement is estimated to range between $20 and $30 million. The use of the reimbursement proceeds related to the mid-stream assets is not restricted and the proceeds will be treated as proceeds from divestitures in the Company's consolidated financial statements. Closing is anticipated to occur during the third quarter of 2011 and is subject to customary closing conditions and transaction fees.

After the closing of this transaction, SM Energy will have approximately 46,000 net acres in the non-operated portion of its Eagle Ford shale position, down from roughly 85,000 net acres. The Company's average working interest in this acreage will be reduced from approximately 27% to 14.5%. Reported average daily production from the Company's total non-operated Eagle Ford shale position at the end of the first quarter was 43.5 MMCFE/D (42% oil, 36% natural gas, and 22% NGLs). Proved reserves associated with the Company's total non-operated Eagle Ford shale position as of December 31, 2010 were 52 BCFE (52% proved undeveloped).

SM Energy will have roughly 196,000 net acres in the Eagle Ford shale, of which approximately 75% will be operated by the Company, after this transaction and the previously announced divestiture of Eagle Ford assets in LaSalle and Dimmit Counties, Texas are consummated. The size and timing of these transactions vary from the assumptions made in the Company's issued guidance, as these transactions are expected to close later in the year than originally anticipated and SM Energy is retaining a larger position in the Eagle Ford than was originally assumed. As a result, reported production and capital expenditures for the year will exceed the Company's currently published guidance. The Company will provide full capital, production, and cost guidance updates for the remainder of 2011, as well as preliminary capital and production guidance for 2012 in its second quarter earnings release.

SM Energy was advised on the transaction by Bank of America Merrill Lynch.

MANAGEMENT COMMENTARY

Tony Best, President and CEO, remarked, "I am pleased to announce the final phase of our planned Eagle Ford sell down effort. Combined with our previously announced LaSalle and Dimmit Counties Eagle Ford divestiture, we are generating nearly $1 billion in funds that will allow us to further develop our Eagle Ford assets while locking in some solid returns and maintaining a strong balance sheet. This specific transaction allows us to continue participating in the development of high value Eagle Ford assets, while providing us more control over our capital investment decisions."

INFORMATION ABOUT FORWARD LOOKING STATEMENTS

This release contains forward looking statements within the meaning of securities laws, including forecasts and projections. The words "will," "believe," "budget," "anticipate," "plan," "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 SM Energy's actual results to differ materially from results expressed or implied by the forward looking statements. These risks include factors such as the uncertainty of negotiations to result in an agreement or a completed transaction, the uncertain nature of the expected benefits from the actual or expected acquisition, divestiture, farm down or joint venture of oil and gas properties, the uncertain nature of announced divestiture, joint venture, farm down or similar efforts and the ability to complete such transactions, the volatility and level of oil, natural gas, and natural gas liquids prices, uncertainties inherent in projecting future rates of production from drilling activities and acquisitions, the imprecise nature of estimating oil and gas reserves, the availability of additional economically attractive exploration, development, and property acquisition opportunities for future growth and any necessary financings, unexpected drilling conditions and results, unsuccessful exploration and development drilling, the availability of drilling, completion, and operating equipment and services, the risks associated with the Company's commodity price risk management strategy, uncertainty regarding the ultimate impact of potentially dilutive securities, and other such matters discussed in the "Risk Factors" section of SM Energy's 2010 Annual Report on Form 10-K and subsequent quarterly reports filed on Form 10-Q. Although SM Energy 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.

ABOUT THE COMPANY

SM Energy Company is an independent energy company engaged in the exploration, exploitation, development, acquisition, and production of natural gas, natural gas liquids, and crude oil. SM Energy routinely posts important information about the Company on its website. For more information about SM Energy, please visit its website at sm-energy.com.