

**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)

June 8, 2021

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, \$0.01 par value	SM	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement

On June 8, 2021, SM Energy Company, a Delaware corporation (the "Company") entered into a Sixth Amendment (the "Sixth Amendment") to the Sixth Amended and Restated Credit Agreement (the "Credit Agreement") by and among the Company, Wells Fargo Bank, National Association, as Administrative Agent, and the institutions named therein as Lenders that are party thereto. Capitalized terms used but not defined herein have the meanings as ascribed to such terms in the Credit Agreement.

The Sixth Amendment modifies the Credit Agreement by amending certain definitions and covenants relating to the Company's ability to repurchase or redeem outstanding indebtedness to facilitate the Tender Offer (as defined below) of the 2024 Notes (as defined below) and future redemptions of remaining outstanding 2024 Notes. The foregoing description of the Sixth Amendment does not purport to be complete and is qualified in its entirety by reference to the Sixth Amendment, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 8.01 Other Events

On June 9, 2021, the Company issued a press release announcing that it has commenced a cash tender offer (the "Tender Offer") to purchase (i) any and all of its 6.125% Senior Notes due 2022 (the "2022 Notes") and (ii) up to an aggregate principal amount not to exceed \$130,000,000 of its 5.000% Senior Notes due 2024 (the "2024 Notes"). In connection with the Tender Offer, the Company is soliciting consents to eliminate certain covenants with respect to the 2022 Notes, and certain events of default, amend certain other provisions with respect to the 2022 Notes, and reduce the minimum notice of optional redemption required to be given to holders of the 2022 Notes from 30 to 3 business days. The Tender Offer and related consent solicitation are subject to the terms and conditions set forth in the Offer to Purchase and Consent Solicitation Statement, dated

June 9, 2021 (the "Offer to Purchase"). A copy of the press release is filed as Exhibit 99.1 to this report and is incorporated by reference herein.

Cautionary Statement regarding Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements as defined under the federal securities laws, including the completion of the Tender Offer. Although management believes that expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct. In addition, these statements are subject to certain risks, uncertainties and other assumptions that are difficult to predict and may be beyond our control, including market conditions and other conditions with respect to the Tender Offer set forth in the Offer to Purchase. If one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect, the Company's actual results may vary materially from what management anticipated, estimated, projected or expected.

Investors are encouraged to closely consider the disclosures and risk factors contained in the Company's annual and quarterly reports filed from time to time with the Securities and Exchange Commission. The forward-looking statements contained herein speak only as of the date of this report. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
10.1	Sixth Amendment to the Sixth Amended and Restated Credit Agreement, dated as of June 8, 2021, by and among the Company, Wells Fargo Bank, National Association, as Administrative Agent, and the institutions named therein as Lenders that are a party thereto.
99.1	Press Release dated June 9, 2021 announcing commencement of Tender Offer.
104	Cover Page Interactive Data File (formatted as Inline XBRL and included as Exhibit 101).

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SIGNATURE

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

June 9, 2021

By: /s/ David W. Copeland
Name: David W. Copeland
Title: Executive Vice President and General Counsel

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SIXTH AMENDMENT
TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT

This SIXTH AMENDMENT TO SIXTH AMENDED AND RESTATED CREDIT AGREEMENT (this “Sixth Amendment”), dated as of June 8, 2021 (the “Sixth Amendment Effective Date”), is by and among SM ENERGY COMPANY, a corporation duly formed and existing under the laws of the State of Delaware (the “Borrower”); each of the Lenders that is a party hereto; and WELLS FARGO BANK, NATIONAL ASSOCIATION, as administrative agent for the Lenders (in such capacity, together with its successors in such capacity, by operation of law or as otherwise provided in the Credit Agreement referred to below, the “Administrative Agent”), the Swingline Lender, and the Issuing Bank.

RECITALS

(A) The Borrower, the Administrative Agent and the Lenders are party to that certain Sixth Amended and Restated Credit Agreement dated as of September 28, 2018 (as amended, supplemented, or otherwise modified prior to the date hereof, the “Credit Agreement”), pursuant to which the Lenders have made certain credit available to and on behalf of the Borrower;

(B) The Borrower has advised the Administrative Agent that it intends to issue certain unsecured Senior Notes after the Sixth Amendment Effective Date and before the date on which the New Borrowing Base Notice is delivered pursuant to Section 2.07(d) of the Credit Agreement with respect to the October 1, 2021 Scheduled Redetermination of the Borrowing Base (such unsecured Senior Notes, the “2028 Notes”);

(C) The Administrative Agent, the Lenders party hereto, and the Borrower have agreed to make certain amendments and modifications to the Credit Agreement as more particularly set forth herein and to be effective as of the Sixth Amendment Effective Date; and

The parties hereto agree as follows:

Section 1. Defined Terms. Each capitalized term that is defined in the Credit Agreement, but that is not defined in this Sixth Amendment, shall have the meaning ascribed to such term in the Credit Agreement. Unless otherwise indicated, all section references in this Sixth Amendment refer to the Credit Agreement.

Section 2. Amendments. In reliance on the representations, warranties, covenants and agreements contained in this Sixth Amendment, and subject to the satisfaction of the conditions precedent set forth in Section 3 hereof, the Credit Agreement shall be amended, effective as of the Sixth Amendment Effective Date in the manner provided in this Section 2.

2.1 Amendments to Section 1.02.

(a) Section 1.02 of the Credit Agreement is hereby amended by inserting the following definitions in appropriate alphabetical order, which shall read in full as follows:

“2024 Notes” means those certain 5.00% Senior Notes of the Borrower due January 15, 2024 in a principal amount as of the Sixth Amendment Effective Date of \$277,034,000.00.

“2028 Notes” means those certain unsecured Senior Notes of the Borrower issued after the Sixth Amendment Effective Date and before the date on which the New Borrowing Base Notice is delivered pursuant to Section 2.07(d) with respect to the October 1, 2021 Scheduled Redetermination of the Borrowing Base.

“Sixth Amendment Effective Date” means June 8, 2021.

(b) Section 1.02 of the Credit Agreement is hereby amended (a) by inserting “; provided, that the 2028 Notes may contain non-financial covenants which are more onerous to any Loan Party than those imposed by the Refinanced Debt” immediately after “new Debt does not contain any covenants which are more onerous to any Loan Party than those imposed by the Refinanced Debt” in the definition of “Permitted Refinancing Debt” and (b) inserting “; provided, that only 2028 Notes in an aggregate principal amount of not more than \$400,000,000.00 shall, subject to the other provisions of this definition, constitute “Permitted Refinancing Debt” immediately before the “.” therein.

2.2 Amendment to Section 9.04(b)(iii). Section 9.04(b)(iii) of the Credit Agreement is hereby amended to insert “, the 2022 Notes or the 2024 Notes” immediately after “Redeem Other Debt that is permitted by Section 9.02(i)” therein.

2.3 Amendment to Section 9.04(b)(iv). Section 9.04(b)(iv) of the Credit Agreement is hereby amended to insert “ or, solely to the extent no 2021 Convertible Notes (or any Permitted Refinancing Debt in respect thereof with a maturity date before the Maturity Date at the time of such incurrence) or 2022 Notes are then outstanding, the 2024 Notes” immediately after “or 2022 Notes” therein.

Section 3. Conditions Precedent. This Sixth Amendment shall be effective upon the date of the receipt by the Administrative Agent of the following documents and satisfaction of the other conditions provided in this Section 3, each of which shall be reasonably satisfactory to the Administrative Agent in form and substance:

3.1 Prospectus Supplement. The Administrative Agent shall have received a copy of the draft Prospectus Supplement for the 2028 Notes.

3.2 Counterparts. The Administrative Agent shall have received counterparts hereof duly executed by the Borrower and each of the Lenders constituting at least the Majority Lenders, which may be delivered by the means described in Section 5.3 (or, in the case of any party as to which an executed counterpart shall not have been received, email, facsimile, or other written or electronic confirmation from such party of execution of a counterpart hereof by such party).

3.3 Fees and Expenses. The Borrower shall have paid to the Administrative Agent any and all fees and expenses, including reasonable out-of-pocket expenses payable to the Administrative Agent and the Lenders pursuant to or in connection with this Sixth Amendment in accordance with Section 12.03(a) of the Credit Agreement.

3.4 No Event of Default or Deficiency. No Event of Default shall have occurred which is continuing and the Aggregate Revolving Credit Exposures shall not exceed the Borrowing Base.

3.5 Other Documents. The Administrative Agent shall have received such other documents as the Administrative Agent or its counsel may reasonably request.

For purposes of determining satisfaction of the conditions specified in this Section 3, each Lender that has signed this Sixth Amendment shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required under this Section 3 to be consented to or approved by or acceptable or satisfactory to a Lender, unless the Administrative Agent shall have received notice from such Lender prior to the Sixth Amendment Effective Date specifying its objection thereto. The Administrative Agent shall notify Borrower and each Lender of the Sixth Amendment Effective Date and such notice shall be conclusive and binding.

Section 4. Reaffirm Existing Representations and Warranties. The Borrower hereby (a) acknowledges the terms of this Sixth Amendment and the Credit Agreement; (b) ratifies and affirms its obligations under, and acknowledges its continued liability under, each Loan Document to which it is a party and agrees that each Loan Document to which it is a party remains in full force and effect as expressly amended hereby; and (c) represents and warrants to the Lenders that, as of the date hereof, after giving effect to the terms of this Sixth Amendment: (i) all of the representations and warranties contained in each Loan Document to which the Borrower is a party are true and correct in all material respects (or, if already qualified by materiality, Material Adverse Effect, or a similar qualification, true and correct in all respects) as of the Sixth Amendment Effective Date (unless any such representation or warranty relates solely to a specific earlier date, in which case, such representation or warranty was true and correct in all material respects (or, if already qualified by materiality, Material Adverse Effect, or a similar qualification, true and correct in all respects) as of such earlier date); (ii) no Default or Event of Default has occurred and is continuing and the Aggregate Revolving Credit Exposures do not exceed the Borrowing Base; (iii) since the date of the most recent balance sheet delivered pursuant to Section 8.01(a) of the Credit Agreement, no Material Adverse Effect has occurred; (iv) the execution, delivery and performance by the Borrower of this Sixth Amendment are within Borrower's corporate powers, have been duly authorized by all necessary corporate action, require no consent or approval of, or filing with, any governmental body, agency or official and do not violate any provision of applicable law or any agreement binding upon Borrower or any other Loan Party, except for violations of agreements that would not reasonably be expected to have a Material Adverse Effect; and (v) this Sixth Amendment constitutes the valid and binding obligation of the Borrower enforceable in accordance with its terms, except as (A) the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditor's rights generally, and (B) the availability of equitable remedies may be limited by equitable principles of general application, regardless of whether considered in a proceeding in equity or at law.

Sixth Amendment to
SM Energy Company Sixth Amended and Restated Credit Agreement
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Section 5. Miscellaneous.

5.1 Confirmation. The provisions of the Credit Agreement (as amended by this Sixth Amendment) shall remain in full force and effect in accordance with its terms following the effectiveness of this Sixth Amendment. This Sixth Amendment shall constitute a Loan Document.

5.2 No Waiver. Neither the execution by the Administrative Agent or the Lenders party hereto of this Sixth Amendment, nor any other act or omission by the Administrative Agent or the Lenders or their officers in connection herewith, shall be deemed a waiver by the Administrative Agent or the Lenders of any Defaults or Events of Default which may exist on or after the Sixth Amendment Effective Date, which may have occurred prior to the Sixth Amendment Effective Date or which may occur in the future under the Credit Agreement and/or the other Loan Documents. Similarly, nothing contained in this Sixth Amendment shall directly or indirectly in any way whatsoever either: (a) impair, prejudice or otherwise adversely affect the Administrative Agent's or the Lenders' right at any time to exercise any right, privilege or remedy in connection with the Loan Documents with respect to any Default or Event of Default, (b) except as provided herein, amend or alter any provision of the Credit Agreement, the other Loan Documents, or any other contract or instrument, or (c) constitute any course of dealing or other basis for altering any obligation of the Borrower or any right, privilege or remedy of the Administrative Agent or the Lenders under the Credit Agreement, the other Loan Documents, or any other contract or instrument. Nothing in this Sixth Amendment shall be construed to be a consent by the Administrative Agent or the Lenders to any Default or Event of Default. Each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or any other word or words of similar import shall mean and be a reference to the Credit Agreement as amended hereby, and each reference in any other Loan Document to the Credit Agreement or any word or words of similar import shall be and mean a reference to the Credit Agreement as amended hereby.

5.3 Counterparts. This Sixth Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed signature page to this Sixth Amendment by facsimile transmission or other electronic transmission (including .pdf) shall be as effective as delivery of a manually executed counterpart of this Sixth Amendment. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to any document to be signed in connection with this Sixth Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

5.4 Expenses. As provided in Section 12.03 of the Credit Agreement and subject to the limitations included therein, the Borrower hereby agrees to pay on demand all reasonable out-of-pocket expenses incurred by the Administrative Agent in connection with the negotiation, preparation, and execution of this Sixth Amendment and all related documents, including, without limitation, the reasonable fees, charges, and disbursements of outside counsel.

Sixth Amendment to
SM Energy Company Sixth Amended and Restated Credit Agreement
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5.5 Successors and Assigns. This Sixth Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

5.6 Severability. Any provision of this Sixth Amendment held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof or thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

5.7 No Oral Agreement. This Sixth Amendment, the Credit Agreement and the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties hereto relating to the subject matter hereof and thereof and supersede any and all previous

agreements and understandings, oral or written, relating to the subject matter hereof and thereof. This Sixth Amendment, the Credit Agreement and the other Loan Documents represent the final agreement among the parties hereto and thereto and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

5.8 Governing Law. THIS SIXTH AMENDMENT (INCLUDING, BUT NOT LIMITED TO, THE VALIDITY AND ENFORCEABILITY HEREOF) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[Signature Pages to Follow]

Sixth Amendment to
SM Energy Company Sixth Amended and Restated Credit Agreement
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The parties hereto have caused this Sixth Amendment to be duly executed effective as of the date first written above.

BORROWER:

SM ENERGY COMPANY

By: /s/ A. Wade Pursell

A. Wade Pursell
Executive Vice President and Chief
Financial Officer

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

AGENTS AND LENDERS:

WELLS FARGO BANK, NATIONAL
ASSOCIATION, Individually and as
Administrative Agent, Swingline Lender and Issuing Bank

By: /s/ Jonathan Herrick

Name: Jonathan Herrick
Title: Director

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

BANK OF AMERICA, NATIONAL ASSOCIATION, Individually and as Co-
Syndication Agent

By: /s/ Ronald E. Mckaig

Name: Ronald E. Mckaig
Title: Managing Director

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

JPMORGAN CHASE BANK, N.A.,
Individually And As Co-Syndication Agent

By: /s/ Jo Linda Papadakis

Name: Jo Linda Papadakis
Title: Authorized Officer

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

By: /s/ Julia Barnhill
Name: Julia Barnhill
Title: Vice President

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

COMERICA BANK

By: /s/ Caroline M. McClurg
Name: Caroline M. McClurg
Title: Senior Vice President

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

BARCLAYS BANK PLC

By: /s/ Sydney G. Dennis
Name: Sydney G. Dennis
Title: Director

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

ROYAL BANK OF CANADA

By: /s/ Kristan Spivey
Name: Kristan Spivey
Title: Authorized Signatory

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

BOKF, NA DBA BANK OF OKLAHOMA

By: /s/ Taryn Watson
Name: Taryn Watson
Title: Vice President

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

CAPITAL ONE, NATIONAL ASSOCIATION

By: /s/ Cameron Breitenbach
Name: Cameron Breitenbach
Title: Director

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

GOLDMAN SACHS BANK USA

By: /s/ Dan Martis
Name: Dan Martis
Title: Authorized Signatory

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

KEYBANK NATIONAL ASSOCIATION

By: /s/ George E. McKean
Name: George E. McKean
Title: Senior Vice President

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

THE BANK OF NOVA SCOTIA, HOUSTON BRANCH

By: /s/ Marc Graham
Name: Marc Graham
Title: Managing Director

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

U.S. BANK NATIONAL ASSOCIATION

By: /s/ John C. Lozano
Name: John C. Lozano
Title: Senior Vice President

[SIGNATURE PAGE TO SIXTH AMENDMENT TO
SIXTH AMENDED AND RESTATED CREDIT AGREEMENT – SM ENERGY COMPANY]

FOR IMMEDIATE RELEASE

SM ENERGY COMPANY ANNOUNCES

CASH TENDER OFFER FOR ANY AND ALL OF ITS 6.125% SENIOR NOTES DUE 2022 AND UP TO \$130.0 MILLION AGGREGATE PRINCIPAL AMOUNT OF ITS 5.000% SENIOR NOTES DUE 2024 AND RELATED SOLICITATION OF CONSENT

DENVER, CO – June 9, 2021 – SM Energy Company (“SM Energy”) (NYSE: SM) today announced that it has commenced cash tender offers to purchase (the “Offers”) (i) any and all of its outstanding 6.125% Senior Notes due 2022 (CUSIP No. 78454L AK6) (the “2022 Notes”), and (ii) up to an aggregate principal amount not to exceed \$130,000,000 (as it may be modified by SM Energy, the “Tender Cap”), of its outstanding 5.000% Senior Notes due 2024 (CUSIP No. 78454L AH3) (the “2024 Notes” and, together with the 2022 Notes, the “Notes”), subject to the terms and conditions set forth in the Offer to Purchase and Consent Solicitation Statement dated June 9, 2021 (as it may be amended or supplemented from time to time, the “Offer to Purchase”), and related solicitation of consents (the “Consent Solicitation” and, together with the Offers, the “Tender Offer”) from holders of the 2022 Notes to certain proposed amendments to the indenture governing the 2022 Notes (the “Consents”).

The following table sets forth certain terms of the Tender Offer:

Title of Notes	CUSIP Numbers / ISIN	Aggregate Principal Amount Outstanding ⁽¹⁾	Tender Cap	Tender Offer Consideration ⁽²⁾⁽³⁾	Early Tender Premium ⁽²⁾	Total Consideration ⁽²⁾⁽³⁾⁽⁴⁾
6.125% Senior Notes due 2022	78454L AK6 US78454LAK61	\$ 212,403,000	N/A	\$ 973.25	\$ 30.00	\$ 1,003.25
5.000% Senior Notes due 2024	78454L AH3 US78454LAH33	\$ 277,034,000	\$ 130,000,000	\$ 970.00	\$ 30.00	\$ 1,000.00

(1) As of the date of this press release.

(2) Dollars per \$1,000 aggregate principal amount of Notes.

(3) Holders will also receive accrued and unpaid interest from the applicable last interest payment with respect to the Notes accepted for purchase to, but not including, the Early Settlement Date or the Final Settlement Date, as applicable. Includes, with respect to the 2022 Notes, a payment for the Consents. No separate Consent payment or fee is being offered or will be paid to Holders of 2024 Notes in the Consent Solicitation.

(4) Includes the Early Tender Premium and, with respect to the 2022 Notes, a payment for Consents.

The Tender Offer will expire at 11:59 P.M., New York City time, on July 7, 2021, unless extended (such date and time, as the same may be extended, the “Expiration Date”). Holders who validly tender their Notes, if applicable, prior to 5:00 p.m., New York City time, on June 22, 2021, unless such date is extended or earlier terminated (the “Early Tender Date”), will be eligible to receive the “Total Consideration” set forth in the table above for each \$1,000 principal amount of Notes. The Total Consideration includes the “Early Tender Premium” set forth in the table above, which includes a consent payment related to the 2022 Notes. Holders who validly tender their Notes after the Early Tender Date, but on or prior to the Expiration Date, and do not validly withdraw such Notes, will only be eligible to receive the “Tender Offer Consideration” as set forth in the table above, which does not include the Early Tender Premium. In addition to the Total Consideration or the Tender Offer Consideration, as applicable, holders who validly tender and not validly withdraw Notes and whose Notes are accepted for purchase will receive accrued and unpaid interest, up to, but not including, the applicable settlement date. The settlement date with respect to all Notes validly tendered prior to the Early Tender Date and not validly withdrawn and accepted for purchase is expected to be the first business day after the Early Tender Date, or as promptly as practicable thereafter (such date, as the same may be extended, the “Early Settlement Date”). The Early Settlement Date is currently expected to be on June 23, 2021. If the Tender Offer is not fully subscribed as of the Early Settlement Date, the settlement date with respect to all Notes validly tendered after the Early Tender Date, but on or prior to the Expiration Date, and not validly withdrawn, is expected to be on the first business day after the Expiration Date, or promptly thereafter (such date, as the same may be extended, the “Final Settlement Date”). The Final Settlement Date is currently expected to be July 8, 2021.

The Notes tendered at or prior to the Early Tender Date will be accepted for purchase with priority over the Notes tendered after the Early Tender Date, but at or prior to the Expiration Date.

Acceptance for tenders of the 2024 Notes may be subject to proration if the aggregate principal amount of the 2024 Notes validly tendered and not validly withdrawn is greater than the Tender Cap. Furthermore, if the Tender Offer to purchase 2024 Notes is fully subscribed as of the Early Tender Date, holders who validly tender 2024 Notes after the Early Tender Date will not have any of their 2024 Notes accepted for purchase and there will be no Final Settlement Date.

The Company reserves the right, but is under no obligation, to increase the Tender Cap at any time, subject to compliance with applicable law. If the Company increases the Tender Cap, it does not expect to extend the Withdrawal Date, subject to applicable law. Notes validly tendered and Consents validly delivered may not be withdrawn or revoked after 5:00 p.m., New York City time, on June 22, 2021, except as may be required by law.

Holders tendering their 2022 Notes will be deemed to have delivered their Consent to certain proposed amendments to the indentures governing the 2022 Notes, which will eliminate certain covenants with respect to the 2022 Notes, and certain events of default, amend certain other provisions with respect to the 2022 Notes, and reduce the minimum notice of optional redemption required to be given to holders of the 2022 Notes from 30 to 3 business days (the “Proposed Amendments”). Following receipt of Consents of at least a majority in aggregate principal amount of the outstanding 2022 Notes, SM Energy will execute supplemental indentures effecting the Proposed Amendments with respect to such 2022 Notes.

The completion of the Tender Offer is subject to a number of conditions that are set forth in the Offer to Purchase, including, among other things, the successful completion by SM Energy of a new senior debt offering. The Consent Solicitation is conditioned on the receipt of the required Consents to amend and supplement the indenture governing the 2022 Notes and the execution by the applicable parties of the supplemental indenture effecting such amendments. The Tender Offer is not conditioned on any minimum amount of Notes being tendered.

The terms and conditions of the Tender Offer, including SM Energy’s obligation to accept the Notes tendered and pay the purchase price therefor, are set forth in the Offer to Purchase. SM Energy may, at its own discretion, amend, extend or, subject to certain conditions, terminate the Tender Offer.

SM Energy has retained BofA Securities as dealer manager and solicitation agent. Questions regarding the Tender Offer may be directed to BofA Securities at (980) 388-3646 or by e-mail at debt_advisory@bofa.com. For questions concerning delivery by means of the Automated Tender Offer Program and to obtain copies of the Offer to Purchase, please contact the Information Agent, D.F. King & Co., Inc. at (800) 848-2998 (toll-free) and (212) 269-5550 or by e-mail at sm@dfking.com.

This press release does not constitute an offer to purchase or redeem or the solicitation of an offer to sell the securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

ABOUT THE COMPANY

SM Energy Company is an independent energy company engaged in the acquisition, exploration, development, and production of oil, gas, and natural gas liquids in the state of Texas.

SM ENERGY INVESTOR CONTACT:

Jennifer Martin Samuels, jsamuels@sm-energy.com, 303-864-2507

FORWARD-LOOKING STATEMENTS

This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this press release that address activities, events, or developments that we expect, believe, or anticipate will or may occur in the future are forward-looking statements. The words “anticipate,” “assume,” “believe,” “budget,” “estimate,” “expect,” “forecast,” “intend,” “plan,” “project,” “will,” and similar expressions are intended to identify forward-looking statements. Such forward-looking statements include, but are not limited to, among other things, the completion of the Tender Offer. Such forward-looking statements are based on assumptions and analyses made by SM Energy’s in light of its experience and its perception of historical trends, current conditions, expected future developments, and other factors that SM Energy believes are appropriate under the circumstances. These statements are subject to a number of known and unknown risks and uncertainties, which may cause SM Energy actual results and performance to be materially different from any future results or performance expressed or implied by the forward-looking statements. Some of these risks are described in the “Risk Factors” section in Part I, Item 1A of SM Energy’s Annual Report on Form 10-K for the year ended December 31, 2020. Forward-looking statements are not guarantees of future performance and actual results or performance may be materially different from those expressed or implied in the forward-looking statements. The forward-looking statements in this press release speak as of the date of this press release.
