

Ottoson Javan D  
Form 4  
August 03, 2011

# FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Ottoson Javan D

2. Issuer Name and Ticker or Trading Symbol  
SM Energy Co [SM]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
1775 SHERMAN STREET, SUITE 1200

3. Date of Earliest Transaction (Month/Day/Year)  
08/01/2011

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Exec VP & COO

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

DENVER, CO 80203

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |        |   |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|--------|---|
|                                 |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |        |   |
| Common Stock, \$.01 Par Value   | 08/01/2011                           |  | M <sup>(1)</sup>               |   | 10,257  | A  | Ⓛ   | 28,391 | D |
| Common Stock, \$.01 Par Value   | 08/01/2011                           |  | F                              |   | 4,068   | D  | \$ 75.56  | 24,323 | D |
| Common Stock, \$.01 Par Value   | 08/01/2011                           |  | M                              |   | 3,214   | A  | Ⓛ   | 27,537 | D |
| Common Stock, \$.01             | 08/01/2011                           |  | F                              |   | 1,320   | D  | \$ 75.56  | 26,217 | D |

Par Value

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|

|                         |            |            |  |                  | Date Exercisable | Expiration Date | Title                     |                           |              |
|-------------------------|------------|------------|--|------------------|------------------|-----------------|---------------------------|---------------------------|--------------|
|                         |            |            |  |                  | Code V           | (A)             | (D)                       |                           |              |
| Performance Share Award | <u>(1)</u> | 08/01/2011 |  | M <sup>(1)</sup> |                  | 10,257          | 08/01/2011 <sup>(1)</sup> | 08/01/2011 <sup>(1)</sup> | Common Stock |
| Restricted Stock Units  | <u>(2)</u> | 08/01/2011 |  | M                |                  | 3,214           | 08/01/2011                | 08/01/2011                | Common Stock |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                     |       |
|--|---------------|-----------|---------------------|-------|
|  | Director      | 10% Owner | Officer             | Other |
| Ottoson Javan D<br>1775 SHERMAN STREET<br>SUITE 1200<br>DENVER, CO 80203 |               |           | Exec<br>VP &<br>COO |       |

## Signatures

Karin M. Writer  
(Attorney-In-Fact) 08/02/2011

\_\_\_\_\_  
\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) On August 1, 2011, the issuer issued 10,257 shares of common stock to the reporting person in a settlement conversion of a performance share award (the "PSA") reported in a Form 4 for the reporting person filed on July 29, 2011. The PSA represented the right to receive, upon the settlement of the PSA, the determined number of earned shares of the issuer's common stock based on the achievement of performance criteria, to the extent that the PSA had vested under separate employment service vesting provisions. The PSA became fully

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vested and was settled in accordance with its terms on 08/01/2011.

Each restricted stock unit represents a contingent right to receive one share of stock. The restricted stock unit grants vests as follows:

- (2) 1,608 shares on 8/1/10, 3,214 shares on 8/1/11 and 6,428 shares on 8/1/12. The vested shares will be issued to the reporting person on the vesting dates, at which time all restrictions on the vested shares will lapse.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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