Newton Lehman E III
Form 4
July 29, 2011

FORM 4

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

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 [*] Newton Lehman E III	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)	3. Date of Earliest Transaction (Month/Day/Year) 07/28/2011	_____ Director _____ 10% Owner __X__ Officer (give title _____ Other (specify below) below) Sr. VP & Regional Manager
1775 SHERMAN STREET, SUITE 1200		
(Street)	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ 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			

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

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

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Underlyin (Instr. 3 a

(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8) Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			Date Exercisable	Expiration Date	Title
				Code	V	(A)	(D)			

| Performance Share Award | (1) (2) | 07/28/2011 | | A[(1)] | | 4,180 | | 08/01/2011[(1)(2)] | 08/01/2011[(1)(2)] | Common Stock |

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Newton Lehman E III 1775 SHERMAN STREET SUITE 1200 DENVER, CO 80203			Sr. VP & Regional Manager	

Signatures

Karin M. Writer (Attorney-In-Fact)	07/29/2011
[**]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 July 28, 2011, the Compensation Committee of the Board of Directors of the issuer determined that 4,180 shares of the issuer's common stock had been earned by the reporting person under the terms of a performance share award (the "PSA"), based on the achievement of specific performance criteria that were not tied solely to the market price of the issuer's common stock. The PSA was granted to the reporting person on August 1, 2008, and represents 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 the performance criteria over a three-year performance period (with the determined number of earned shares being within a range of zero to two times the number of target shares indicated on the award date), to the extent that the PSA has vested under separate employment service vesting provisions.

(2)   The PSA vested 1/7th on August 1, 2009 and 2/7ths on August 1, 2010, and the remaining 4/7ths is scheduled to vest on August 1, 2011. Under the terms of the PSA, the PSA is scheduled to be settled through the issuance of the number of earned and vested shares of common stock on or about August 1, 2011.

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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