

Solomon Mark T
 Form 4
 July 24, 2012

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 *
 Solomon Mark T

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)
 07/23/2012

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 VP - Controller

(Street)
 DENVER, CO 80203

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

(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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Code V Amount (D) Price		

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

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SEC 1474
 (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	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 of Underlying Security (Instr. 3)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Performance Share Award	<u>(1)</u> <u>(2)</u>	07/23/2012	<u>A</u> ⁽¹⁾	10,874					08/01/2012 ⁽¹⁾⁽²⁾	08/01/2012 ⁽¹⁾⁽²⁾	Comm Stoc

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Solomon Mark T 1775 SHERMAN STREET SUITE 1200 DENVER, CO 80203			VP - Controller	

Signatures

Karin M. Writer (Attorney-In-Fact)	07/24/2012
__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).

On July 23, 2012, the Compensation Committee of the Board of Directors of the issuer determined that 10,874 shares of the issuer's common stock had been earned by the reporting person under the terms of a grant of performance share awards (the "PSAs"), based on the achievement of specific performance criteria that were not tied solely to the market price of the issuer's common stock. The PSAs

(1) were granted to the reporting person on August 1, 2009, and represent the right to receive, upon the settlement of the PSAs, 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 PSAs granted on the award date), to the extent that the PSAs have vested under separate employment service vesting provisions.

The PSAs vested 1/7th on August 1, 2010 and 2/7ths on August 1, 2011, and the remaining 4/7ths is scheduled to vest on August 1, 2012.

(2) Under the terms of the PSAs, the PSAs are scheduled to be settled through the issuance of the number of earned and vested shares of common stock on or about August 1, 2012.

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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