September 7, 2016

SM Energy Announces Public Offering of $500 Million of Senior Notes Due 2026

DENVER--(BUSINESS WIRE)-- SM Energy Company (“SM Energy”) (NYSE: SM) announced today that it intends, subject to market and other conditions, to offer $500.0 million in aggregate principal amount of a series of senior unsecured notes due 2026 (the “Notes”). SM Energy intends to use the net proceeds from the offering to pay a portion of the purchase price for its recently announced acquisition of all of the outstanding membership interests of an entity holding undeveloped leasehold interests, producing wells and associated infrastructure assets in the Midland Basin of west Texas from Rock Oil Holdings LLC, and for general corporate purposes. If this acquisition does not close, SM Energy intends to use the net proceeds for general corporate purposes.

BofA Merrill Lynch, J.P. Morgan and Wells Fargo Securities are acting as joint book-running managers for the offering. The Notes are being offered and will be sold pursuant to an effective shelf registration statement that was previously filed with the Securities and Exchange Commission. This offering is being made only by means of a prospectus dated August 8, 2016 and related prospectus supplement dated September 7, 2016. Before you invest, you should read the preliminary prospectus supplement and accompanying base prospectus in that registration statement for more complete information about this offering. When available, copies of these documents may be obtained from any of the underwriters by contacting:

BofA Merrill Lynch
NC1-004-03-43
200 North College Street, 3rd floor
Charlotte, NC 28255-0001
Attn: Prospectus Department
E-mail: dg.prospectus_requests@baml.com

J.P. Morgan Securities LLC
c/o Broadridge Financial Solutions
1155 Long Island Avenue
Edgewood, NY 11717
Attn: Post-Sale Fulfillment
E-mail: prospectus-eq_fi@jpmchase.com

Wells Fargo Securities, LLC
608 2nd Ave. S, Suite 1000
Minneapolis, MN 55402
Attn: WFS Customer Service
E-mail: wfscustomerservice@wellsfargo.com

You may also obtain these documents free of charge when they are available by visiting the Securities and Exchange Commission's website at www.sec.gov.

This press release does not constitute an offer to sell or the solicitation of an offer to buy 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.

INFORMATION ON FORWARD LOOKING STATEMENTS

This press release contains forward-looking statements as defined under the federal securities laws, including statements regarding the intended use of offering proceeds and other aspects of the Notes offering. 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, customary offering closing conditions and other factors described in the prospectus and accompanying prospectus supplement for the offering. 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 and in the prospectus and related prospectus supplement. The statements herein speak only as of the date of this press release. 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.

ABOUT THE COMPANY

SM Energy Company is an independent energy company engaged in the acquisition, exploration, development, and production of crude oil, natural gas, and natural gas liquids in onshore North America. SM Energy routinely posts important information about the Company on its website.

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Source: SM Energy Company