December 12, 2011

SM Energy Announces Exchange Offer for $350 Million of Its 6 5/8% Senior Notes

DENVER--(BUSINESS WIRE)-- SM Energy Company (NYSE: SM) today announces that it commenced an offer to exchange $350 million of its 6 5/8% Senior Notes due 2019, which have been registered under the Securities Act of 1933 (the "Exchange Notes") in exchange for $350 million of its outstanding 6 5/8% Senior Secured Notes due 2019, which were issued on February 7, 2011, in a private placement (the "Outstanding Notes"). The Exchange Notes are being offered pursuant to a registration rights agreement previously entered into in connection with the issuance of the Outstanding Notes. The exchange offer is being conducted upon the terms and subject to the conditions set forth in the prospectus dated December 12, 2011, and the related letter of transmittal.

The terms of the Exchange Notes are substantially identical to the terms of the Outstanding Notes, except that provisions relating to transfer restrictions, registration rights and additional interest will not apply to the Exchange Notes. The exchange offer is limited to holders of the Outstanding Notes. The exchange offer is scheduled to expire at 5:00 p.m. New York time on January 11, 2012, unless extended. Outstanding Notes tendered pursuant to the exchange offer may be withdrawn at any time prior to the expiration date by following the procedures set forth in the exchange offer prospectus and the related letter of transmittal. Copies of the prospectus and the related letter of transmittal may be obtained from U.S. Bank National Association, which is serving as the exchange agent for the exchange offer. The address, telephone and facsimile number of U.S. Bank National Association are as follows:

By Facsimile for Eligible Institutions:	By Mail/Overnight Delivery/Hand:	Confirm by Telephone:
(615) 495-8158	60 Livingston Avenue	(800) 934-6802
Attention: Specialized Finance	St. Paul, MN 55107	
	Attention: Specialized Finance	

About SM Energy

SM Energy Company is an independent energy company engaged in the exploration, exploitation, development, acquisition, and production of natural gas, natural gas liquids, and crude oil. SM Energy routinely posts important information about the Company on its website. For more information about SM Energy, please visit its website at www.sm-energy.com.

SM Energy
James R. Edwards, 303-837-2444

Source: SM Energy