

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

June 28, 1996

Commission File Number 0-20872

ST. MARY LAND & EXPLORATION COMPANY
(Exact name of Registrant as specified in its charter)

Delaware 41-0518430
(State or other Jurisdiction (I.R.S. Employer Identification No.)
of incorporation or organization)

1776 Lincoln Street, Suite 1100, Denver, Colorado 80203
(Address of principal executive offices) (Zip Code)

(303) 861-8140
(Registrant's telephone number, including area code)

ST. MARY LAND & EXPLORATION COMPANY AND SUBSIDIARIES

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| 10.42 Purchase and Sale Agreement between the Registrant and Siete Oil & Gas Corporation dated April 2, 1996 * | |
| 24.2 Consent of Coopers & Lybrand L.L.P. ** | |

* Previously filed.

** Filed herewith.

Oil and Gas Corporation for a net price of approximately \$9.8 million. The acquisition includes approximately 150 wells in southeast New Mexico and west Texas producing from the Yates / Queen and Delaware sands at depths of between 3,500 to 5,000 feet. The acquired reserves are approximately 80 percent oil and have a reserve life of about 15 years. St. Mary's 90 percent interest equates to current production of approximately 770 MCFD and 345 BOPD. This acquisition was financed by available credit under the Registrant's revolving bank credit agreement with NationsBank.

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ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

REPORT OF INDEPENDENT ACCOUNTANTS

Board of Directors and Stockholders,
St. Mary Land & Exploration Company and Subsidiaries:

We have audited the accompanying Statement of Revenues and Direct Operating Expenses of Certain Oil and Gas Properties (the "Properties") Acquired from Siete Oil & Gas Corporation (the "Statement of Revenues and Direct Operating Expenses") for the year ended December 31, 1995. The Statement of Revenues and Direct Operating Expenses is the responsibility of St. Mary Land & Exploration Company's management. Our responsibility is to express an opinion on the Statement of Revenues and Direct Operating Expenses based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement of Revenues and Direct Operating Expenses is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Statement of Revenues and Direct Operating Expenses. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Statement of Revenues and Direct Operating Expenses. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Statement of Revenues and Direct Operating Expenses was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission as described in Note 1 and is not intended to be a complete presentation of the revenues and expenses of the Properties.

In our opinion, the Statement of Revenues and Direct Operating Expenses presents fairly, in all material respects, the revenues and direct operating expenses of the Properties as described in Note 1, for the year ended December 31, 1995, in conformity with generally accepted accounting principles.

COOPERS & LYBRAND L.L.P.

Denver, Colorado
September 11, 1996

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<TABLE>

ST. MARY LAND & EXPLORATION COMPANY AND SUBSIDIARIES
STATEMENT OF REVENUES AND DIRECT OPERATING EXPENSES
OF CERTAIN OIL AND GAS PROPERTIES ACQUIRED FROM
SIETE OIL & GAS CORPORATION
(In thousands)

| | For the Six Months Ended June 30, 1996 ----- (Unaudited) | For the Year Ended December 31, 1995 ----- |
|---|--|--|
| <S> | <C> | <C> |
| Operating revenues | | |
| Oil and gas revenues | \$ 1,514 | \$ 3,045 |
| Other income | 124 | 320 |
| | ----- | ----- |
| Total operating revenues | 1,638 | 3,365 |
| | ----- | ----- |
| Direct operating expenses | | |
| Lease operating expenses | 317 | 616 |
| Production taxes | 94 | 194 |
| Other expenses | 13 | 38 |
| | ----- | ----- |
| Total direct operating expenses | 424 | 848 |
| | ----- | ----- |
| Revenues in excess of direct operating expenses | \$ 1,214 | \$ 2,517 |

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The accompanying notes are an integral part
of this financial statement

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ST. MARY LAND & EXPLORATION COMPANY AND SUBSIDIARIES

NOTES TO STATEMENT OF REVENUES AND DIRECT OPERATING EXPENSES
OF CERTAIN OIL AND GAS PROPERTIES ACQUIRED FROM
SIETE OIL & GAS CORPORATION

Note 1 - Basis of Presentation

The accompanying financial statement presents the revenues and direct operating expenses relating to certain working and overriding royalty interests and salt water disposal facilities located in New Mexico and Texas (collectively, the "Properties"). These properties were acquired by St. Mary Land & Exploration Company (the "Company") from Siete Oil & Gas Corporation ("Siete") on June 28, 1996. This financial statement is included to provide historical information on the revenues and direct operating expenses of the Properties for purposes of complying with the rules and regulations of the Securities and Exchange Commission and may not be representative of future operations.

A provision for depletion, depreciation and amortization has not been included since the Company's basis in the Properties is different from that of Siete. Exploration and development costs relating to the Properties during 1995 were de minimus. General and administrative expenses of Siete were not available and, accordingly, could not be allocated to the property level and would not be comparable to the amounts expected to be incurred by the Company as a non-operator. This financial statement does not include federal and state income taxes or interest. Accordingly, the accompanying financial statement is not intended to be a complete presentation of the revenues and expenses of the Properties.

The preparation of this financial statement requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Note 2 - Oil and Gas Producing Activities

Oil and Gas Reserve Quantities (Unaudited):

The following reserve information for the year ended December 31, 1995 was prepared by the Company. The Company emphasizes that reserve estimates are inherently imprecise and accordingly, these estimates are expected to change as future information becomes available.

Proved oil and gas reserves are the estimated quantities of crude oil, natural gas, and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions. Proved developed oil and gas reserves are those expected to be recovered through existing wells with existing equipment and operating methods.

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Presented below is a summary of the changes in estimated reserves attributed to the Properties for the year ended December 31, 1995:

| | Oil or Condensate | Gas |
|---------------------------------|----------------------|-----------------|
| | ----- (MBBL) | ----- (MMCF) |
| Total proved reserves- | | |
| Developed and undeveloped: | | |
| Beginning of year | 2,396 | 3,288 |
| Revisions of previous estimates | 84 | 135 |
| Production | (149) | (320) |
| | ----- | ----- |
| End of year | 2,331 | 3,103 |
| | ===== | ===== |
| Proved developed reserves - | | |
| Beginning of year | 1,323 | 3,128 |
| | ===== | ===== |
| End of year | 1,258 | 2,944 |
| | ===== | ===== |

Standardized Measure of Discounted Future Net Cash Flows (Unaudited):

Statement of Financial Accounting Standards No. 69 ("SFAS No. 69") prescribes guidelines for computing a standardized measure of future net cash flows and changes therein relating to estimated proved reserves. The Company has followed these guidelines which are briefly discussed below.

Future cash inflows and future production and development costs are determined by applying year-end prices and costs to the estimated quantities of oil and gas to be produced. Estimated future income taxes are computed using current statutory income tax rates, including consideration for estimated future statutory depletion and alternative fuels tax credits. The resulting future net cash flows are reduced to present value amounts by applying a 10% annual discount factor.

The assumptions used to compute the standardized measure are those prescribed by the Financial Accounting Standards Board and, as such, do not necessarily reflect the Company's expectations of actual revenues to be derived from those reserves nor their present worth. The limitations inherent in the reserve quantity estimation process, as discussed previously, are equally applicable to the standardized measure computations since these estimates are the basis for the valuation process.

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The following summary sets forth the Properties' future net cash flows relating to proved oil and gas reserves based on the standardized measure prescribed in SFAS No. 69 as of December 31, 1995:

| | (In thousands) |
|---|----------------|
| Future cash inflows | \$ 44,168 |
| Future production and development costs | (12,874) |
| Future income tax | (10,640) |
| | ----- |
| Future net cash flows | 20,654 |
| 10% annual discount rate | (11,379) |
| | ----- |
| Standardized measure of discounted future cash flow | \$ 9,275 |
| | ===== |

The following are the principal sources of change in the Properties' standardized measure of discounted net cash flows for the year ended December 31, 1995:

| | (In thousands) |
|--|----------------|
| Standardized measure, beginning of year | \$ 9,680 |
| Sales of oil and gas produced | (2,235) |
| Net changes in prices and production costs | 1,220 |
| Revision of estimated quantities | 602 |
| Accretion of discount | 1,467 |
| Net change in income taxes | 208 |
| Changes in production rates (timing) and other | (1,667) |
| | ----- |
| Standardized measure, end of year | \$ 9,275 |
| | ===== |

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ST. MARY LAND & EXPLORATION COMPANY AND SUBSIDIARIES

INTRODUCTION TO PRO FORMA FINANCIAL INFORMATION

The accompanying unaudited Pro Forma Consolidated Statements of Income from Continuing Operations For the Six Months Ended June 30, 1996 and For the Year Ended December 31, 1995 are presented to illustrate the effect of the Properties on the Company's results of operations as if the transaction had occurred as of January 1, 1995.

The pro forma adjustments included in the accompanying Pro Forma Statements of Income from Continuing Operations are based on assumptions and estimates and are not necessarily indicative of the results of operations of the Company as they may be in the future or as they might have been had the transaction actually occurred as of January 1, 1995.

The pro forma adjustments reflect estimated depletion, depreciation and amortization, estimated interest and income taxes relating to the Properties for the six month period ended June 30, 1996 and for the year ended December 31, 1995.

<TABLE>

ST. MARY LAND & EXPLORATION COMPANY AND SUBSIDIARIES
 PRO FORMA CONSOLIDATED STATEMENT OF INCOME
 FROM CONTINUING OPERATIONS
 (In thousands, except per share amounts)
 (Unaudited)

| | For the Six Months Ended June 30, 1996 | | | |
|---|---|------------------------|-------------|-----------|
| | Historical | Acquired Properties | Adjustments | Pro Forma |
| <S> | <C> | <C> | <C> | <C> |
| Operating revenues: | | | | |
| Oil and gas production | \$ 24,745 | \$ 1,514 | \$ - | \$ 26,259 |
| Gas contract settlements and other revenues | 285 | 124 | - | 409 |
| Total operating revenues | 25,030 | 1,638 | - | 26,668 |
| Operating expenses: | | | | |
| Oil and gas production | 5,926 | 411 | - | 6,337 |
| Depletion, depreciation and amortization | 5,874 | - | 288 (1) | 6,162 |
| Exploration | 4,329 | - | - | 4,329 |
| Abandonment and impairment of unproved properties | 549 | - | - | 549 |
| General and administrative | 3,680 | - | - | 3,680 |
| Gas contract disputes and other | 93 | 13 | - | 106 |
| Loss in equity investees | 1 | - | - | 1 |
| Total operating expenses | 20,452 | 424 | 288 | 21,164 |
| Income from operations | 4,578 | 1,214 | (288) | 5,504 |
| Nonoperating income and (expense): | | | | |
| Interest income | 167 | - | - | 167 |
| Interest expense | (840) | - | (328) (2) | (1,168) |
| Income from continuing operations before income taxes | 3,905 | 1,214 | (616) | 4,503 |
| Income tax benefit (expense) | (1,217) | (413) | 209 (3) | (1,421) |
| Income from continuing operations | \$ 2,688 | \$ 801 | \$ (407) | \$ 3,082 |
| Income per common share from continuing operations | \$.31 | \$.09 | \$ (.05) | \$.35 |
| Weighted average common shares outstanding | 8,759 | 8,759 | 8,759 | 8,759 |

Pro forma adjustments

- (1) To reflect estimated depletion, depreciation and amortization related to the acquired properties for the six month period ended June 30, 1996.
- (2) To reflect estimated interest expense related to the acquired properties for the six month period ended June 30, 1996 since the acquisition was financed by available credit under the Company's revolving bank credit agreement.
- (3) To reflect estimated income taxes related to the acquired properties at the statutory rate for the six month period ended June 30, 1996. The acquisition does not create differences that would cause income tax expense to differ from the amount that would be provided by applying the statutory income tax rate.

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ST. MARY LAND & EXPLORATION COMPANY AND SUBSIDIARIES
 PRO FORMA CONSOLIDATED STATEMENT OF INCOME
 FROM CONTINUING OPERATIONS
 (In thousands, except per share amounts)
 (Unaudited)

| | For the Year Ended December 31, 1995 | | | |
|---|---|------------------------|-------------|-----------|
| | Historical | Acquired Properties | Adjustments | Pro Forma |
| <S> | <C> | <C> | <C> | <C> |
| Operating revenues: | | | | |
| Oil and gas production | \$ 36,569 | \$ 3,045 | \$ - | \$ 39,614 |
| Gain on sale of proved properties | 1,292 | - | - | 1,292 |
| Gas contract settlements and other revenues | 789 | 320 | - | 1,109 |
| Total operating revenues | 38,650 | 3,365 | - | 42,015 |

| | | | | |
|---|----------|----------|-----------|----------|
| Operating expenses: | | | | |
| Oil and gas production | 10,646 | 810 | - | 11,456 |
| Depletion, depreciation and amortization | 10,227 | - | 709 (1) | 10,936 |
| Impairment of proved properties | 2,676 | - | - | 2,676 |
| Exploration | 5,073 | - | - | 5,073 |
| Abandonment and impairment of unproved properties | 2,359 | - | - | 2,359 |
| General and administrative | 5,328 | - | - | 5,328 |
| Gas contract disputes and other | 152 | 38 | - | 190 |
| Loss in equity investees | 579 | - | - | 579 |
| Total operating expenses | 37,040 | 848 | 709 | 38,597 |
| Income from operations | 1,610 | 2,517 | (709) | 3,418 |
| Nonoperating income and (expense): | | | | |
| Interest income | 287 | - | - | 287 |
| Interest expense | (1,183) | - | (739) (2) | (1,922) |
| Income from continuing operations before income taxes | 714 | 2,517 | (1,448) | 1,783 |
| Income tax benefit (expense) | 723 | (856) | 492 (3) | 359 |
| Income from continuing operations | \$ 1,437 | \$ 1,661 | \$ (956) | \$ 2,142 |
| Income per common share from continuing operations | \$.17 | \$.19 | \$ (.11) | \$.25 |
| Weighted average common shares outstanding | 8,760 | 8,760 | 8,760 | 8,760 |

Pro forma adjustments

- (1) To reflect estimated depletion, depreciation and amortization related to the acquired properties for the twelve month period ended December 31, 1995.
- (2) To reflect estimated interest expense related to the acquired properties for the twelve month period ended December 31, 1995 since the acquisition was financed by available credit under the Company's revolving bank credit agreement.
- (3) To reflect estimated income taxes related to the acquired properties at the statutory rate for the twelve month period ended December 31, 1995. The acquisition does not create differences that would cause income tax expense to differ from the amount that would be provided by applying the statutory income tax rate.

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SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

St. Mary Land & Exploration Company

September 12, 1996 By /s/ MARK A. HELLERSTEIN

Mark A. Hellerstein
President and Chief Executive Officer

September 12, 1996 By /s/ RICHARD C. NORRIS

Richard C. Norris
Vice President - Accounting and
Administration and Chief Accounting
Officer

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EXHIBIT 24.2

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in the registration statement of St. Mary Land & Exploration Company and Subsidiaries on Form 8-K/A of our report dated September 11, 1996, on our audit of the Statement of Revenues and Direct Operating Expenses of Certain Oil and Gas Properties Acquired from Siete Oil & Gas Corporation for the year ended December 31, 1995, which report is included in this report on Form 8-K/A.

Denver, Colorado
September 12, 1996