

OCONNOR C RODNEY
 Form 4
 July 01, 2009

FORM 4

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

OMB APPROVAL

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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 *
 OCONNOR C RODNEY

(Last) (First) (Middle)
 5450 ESSEX COURT
 (Street)

WEST PALM BEACH, FL 33405
 (City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 SMF ENERGY CORP [FUEL]

3. Date of Earliest Transaction
 (Month/Day/Year)
 06/29/2009

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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 Ownership (Instr. 4)
			Code	V	Amount	(D)	Price \$
Common Stock	06/29/2009 ⁽¹⁾⁽²⁾		J ⁽¹⁾⁽²⁾		26,754	A	0.38 <u>(1) (2)</u>
					1,135,372	D	

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

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 (9-02)

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

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)					
					Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Series D Convertible Preferred Stock	\$ 0.4 ⁽¹⁾ / ₍₂₎	06/29/2009 ⁽¹⁾⁽²⁾		J ⁽¹⁾⁽²⁾	312	06/29/2009	⁽³⁾				Common Stock	312,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
OCONNOR C RODNEY 5450 ESSEX COURT WEST PALM BEACH, FL 33405		X		

Signatures

/s/Richard E. Gathright,
Attorney-in-fact

07/01/2009

__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 June 29, 2009 (the "Effective Date"), SMF Energy Corporation (the "Company") accepted a series of agreements pursuant to which it restructured its outstanding debt and equity capital (the "Recapitalization"). As part of the Recapitalization, the Company entered into a Payment and Exchange Agreement (the "Agreement") with the reporting person pursuant to which it (a) paid down 50% of the principal balance of the reporting person's September 2008 Unsecured Convertible Promissory Note (the "Existing Unsecured Note"), (b) exchanged the remaining principal balance thereof for shares of a new dividend-bearing \$0.01 par value Series D Convertible Preferred Stock ("Series D Preferred") and (c) exchanged the accrued but unpaid interest on the Existing Unsecured Note for shares of Company's \$0.01 par value Common Stock ("Shares").

In accordance with the Agreement, on the Effective Date, the reporting person was issued 26,754 Shares and 312 shares of Series D Preferred. The Shares were valued at \$0.38 per share, which is equal to or greater than the closing bid price of the Company's common stock on the Nasdaq Capital Market on the day immediately preceding the Effective Date. The shares of Series D Preferred were valued at \$400 per share. Each share of Series D Preferred is convertible into 1,000 shares of the Company's common stock at a price per share of \$0.40 per share, \$0.02 above the closing price of the Company's common stock on the Effective Date.

(3) The Series D Preferred has no expiration date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.