



RAILROAD COMMISSION OF TEXAS

OIL AND GAS DIVISION PERMIT TO INJECT FLUID INTO A RESERVOIR PRODUCTIVE OF OIL AND GAS

PROJECT NO. F 16728, AMENDED

SANDRIDGE EXPL AND PROD LLC
123 ROBERT S KERR AVE
OKLAHOMA CITY OK 73102

You are hereby authorized to use the following well to inject fluid into the permitted interval of the Ellenburger Formation:

University, -FW- Lease, (31849), Well No. 3, Fullerton, South (Ellenburger)
Field, Andrews County, RRC District 08

Authority is granted to inject in accordance with Statewide Rule 46 of the Railroad Commission of Texas and subject to the following special and standard conditions:

SPECIAL CONDITIONS:

1. Fluid shall only be injected into the subsurface depth interval from 10874 feet to 11024 feet.
2. The injection volume of salt water shall not exceed 15000 barrels per day.
3. The maximum operating surface injection pressure shall not exceed 1200 psig.
4. The authority to inject fluid is limited to the injection of salt water.

STANDARD CONDITIONS:

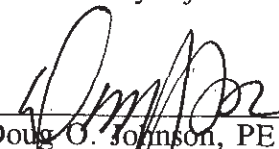
1. Injection must be through tubing set on a packer.
2. The District Office must be notified 48 hours prior to:
 - a. running tubing and setting packer;
 - b. beginning any workover or remedial operation;
 - c. conducting any required pressure tests or surveys.
3. The wellhead must be equipped with a pressure observation valve on the tubing and for each annulus.

4. Prior to beginning injection and subsequently after any workover, an annulus pressure test must be performed. The test pressure must equal the maximum authorized injection pressure or 500 psig, whichever is less, but must be at least 200 psig. The test must be performed and the results submitted in accordance with the instructions of Form H-5.
5. The injection pressure and injection volume must be monitored at least monthly and reported annually on Form H-10 to the Commission's Austin office.
6. Within 30 days after completion, conversion to fluid injection, or any workover which results in a change in well completion, a new Form W-2 or G-1 must be filed in duplicate with the District Office to show the current completion status of the well. The date of the injection permit and the project number must be included on the new Form W-2 or G-1.
7. Written notice of intent to transfer the permit to another operator by filing Form P-4 must be submitted to the Commission at least 15 days prior to the date of the transfer.
8. A well herein authorized cannot be converted to a producing well and have an allowable assigned without filing an amended Form W-1 and receiving Commission approval.

Provided further that, should it be determined that such injection fluid is not confined to the approved interval, then the permission given herein is suspended and the fluid injection must be stopped until the fluid migration from such interval is eliminated.

APPROVED AND ISSUED ON November 5, 2010

NOTE: Amends permit dated December 3, 2004. Amends the top injection interval from 10974 feet, the maximum surface injection pressure from 500 psig and the maximum daily injection volume from 3000 barrels.



Doug G. Johnson, PE
Manager for Injection-Storage
Permits and Support