

API No. <u>42-003-43055</u> Drilling Permit # <u>718374</u> SWR Exception Case/Docket No. <u>0271171</u> (R37)		RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER <i>This facsimile W-1 was generated electronically from data submitted to the RRC.</i> <i>A certification of the automated data is available in the RRC's Austin office.</i>				FORM W-1 07/2004 Permit Status: Approved	
1. RRC Operator No. 748011		2. Operator's Name (as shown on form P-5, Organization Report) SANDRIDGE EXPL. AND PROD., LLC			3. Operator Address (include street, city, state, zip):		
4. Lease Name UNIVERSITY 11-13		5. Well No. 3					
GENERAL INFORMATION							
6. Purpose of filing (mark ALL appropriate boxes): <input checked="" type="checkbox"/> New Drill <input type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input type="checkbox"/> Re-Enter <input type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)							
7. Wellbore Profile (mark ALL appropriate boxes): <input checked="" type="checkbox"/> Vertical <input type="checkbox"/> Horizontal (Also File Form W-1H) <input type="checkbox"/> Directional (Also File Form W-1D) <input type="checkbox"/> Sidetrack							
8. Total Depth 7750		9. Do you have the right to develop the minerals under any right-of-way ? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
SURFACE LOCATION AND ACREAGE INFORMATION							
11. RRC District No. 08		12. County ANDREWS		13. Surface Location <input checked="" type="checkbox"/> Land <input type="checkbox"/> Bay/Estuary <input type="checkbox"/> Inland Waterway <input type="checkbox"/> Offshore			
14. This well is to be located <u>16.4</u> miles in a <u>SW</u> direction from <u>Andrews</u> which is the nearest town in the county of the well site.							
15. Section 13	16. Block 11	17. Survey UL		18. Abstract No. A-	19. Distance to nearest lease line: 100 ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: 167.96	
21. Lease Perpendiculars: <u>100</u> ft from the <u>S</u> line and <u>330</u> ft from the <u>E</u> line. 22. Survey Perpendiculars: <u>2382</u> ft from the <u>W</u> line and <u>2598</u> ft from the <u>N</u> line.							
23. Is this a pooled unit? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		24. Unitization Docket No:		25. Are you applying for Substandard Acreage Field? <input type="checkbox"/> Yes (attach Form W-1A) <input checked="" type="checkbox"/> No			
FIELD INFORMATION List all fields of anticipated completion including Wildcat. List one zone per line.							
26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)		29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	
08	57774275	MARTIN (CONSOLIDATED)		Oil Well	7750	567.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
Remarks 				Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge.			
				Name of filer <u>Bill Spencer, Consultant</u> Date submitted <u>Jun 14, 2011</u> <u>(512)9181062</u> <u>bill@spencerconsulting.org</u> Phone E-mail Address (OPTIONAL)			
RRC Use Only Data Validation Time Stamp: Jun 16, 2011 4:00 PM(Current Version)							

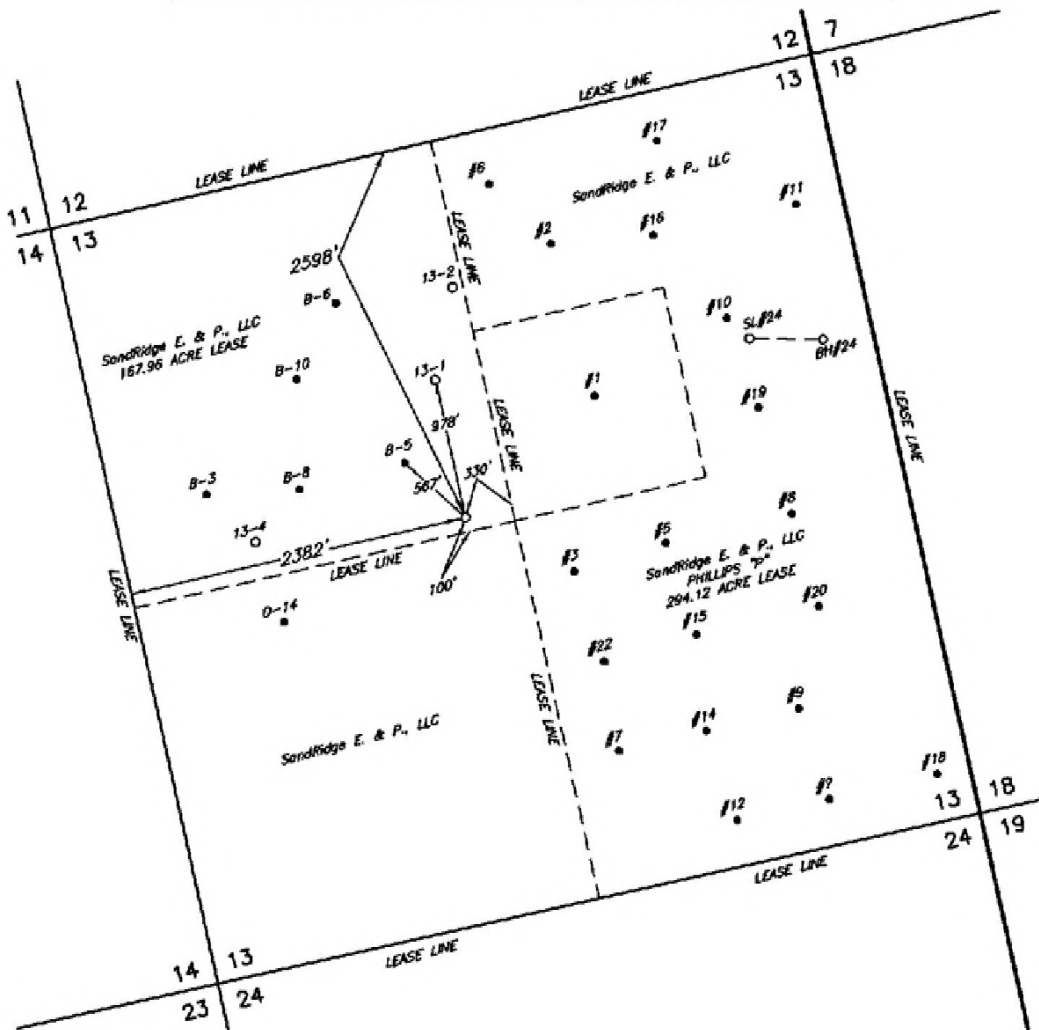
RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

PERMIT NUMBER <div style="text-align: right;">718374</div>	DATE PERMIT ISSUED OR AMENDED <div style="text-align: center;">Jun 16, 2011</div>	DISTRICT <div style="text-align: center;">* 08</div>																				
API NUMBER <div style="text-align: right;">42-003-43055</div>	FORM W-1 RECEIVED <div style="text-align: center;">Jun 14, 2011</div>	COUNTY <div style="text-align: center;">ANDREWS</div>																				
TYPE OF OPERATION <div style="text-align: center;">NEW DRILL</div>	WELLBORE PROFILE(S) <div style="text-align: center;">Vertical</div>	ACRES <div style="text-align: center;">167.96</div>																				
OPERATOR <div style="text-align: right;">748011</div> <div style="text-align: center;">SANDRIDGE EXPL. AND PROD., LLC</div>		NOTICE This permit and any allowable assigned may be revoked if payment for fee(s) submitted to the Commission is not honored. District Office Telephone No: <div style="text-align: center;">(432) 684-5581</div>																				
LEASE NAME <div style="text-align: center;">UNIVERSITY 11-13</div>		WELL NUMBER <div style="text-align: center;">3</div>																				
LOCATION <div style="text-align: center;">16.4 miles SW direction from ANDREWS</div>		TOTAL DEPTH <div style="text-align: center;">7750</div>																				
Section, Block and/or Survey <div style="display: flex; justify-content: space-between;"> <div>SECTION 13</div> <div>BLOCK 11</div> <div>ABSTRACT </div> </div> <div style="display: flex; justify-content: space-between;"> <div>SURVEY UL</div> </div>																						
DISTANCE TO SURVEY LINES <div style="text-align: center;">2382 ft. W 2598 ft. N</div>		DISTANCE TO NEAREST LEASE LINE <div style="text-align: center;">100 ft.</div>																				
DISTANCE TO LEASE LINES <div style="text-align: center;">100 ft. S 330 ft. E</div>		DISTANCE TO NEAREST WELL ON LEASE <div style="text-align: center;">See FIELD(s) Below</div>																				
FIELD(s) and LIMITATIONS: <div style="text-align: center; margin-top: 10px;"> * SEE FIELD DISTRICT FOR REPORTING PURPOSES * ** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(B) ** CASE NO. 0271171 </div> <table style="width:100%; margin-top: 20px;"> <thead> <tr> <th style="text-align: left;">FIELD NAME LEASE NAME</th> <th style="text-align: center;">ACRES NEAREST LEASE</th> <th style="text-align: center;">DEPTH NEAREST LEASE</th> <th style="text-align: center;">WELL # NEAREST WE</th> <th style="text-align: center;">DIST</th> </tr> <tr> <th style="text-align: left;">-----</th> <th style="text-align: center;">-----</th> <th style="text-align: center;">-----</th> <th style="text-align: center;">-----</th> <th style="text-align: center;">---</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">** MARTIN (CONSOLIDATED)</td> <td style="text-align: center; vertical-align: top;">167.96</td> <td style="text-align: center; vertical-align: top;">7,750</td> <td style="text-align: center; vertical-align: top;">3</td> <td style="text-align: center; vertical-align: top;">08</td> </tr> <tr> <td style="vertical-align: top;">UNIVERSITY 11-13</td> <td style="text-align: center; vertical-align: top;">100</td> <td style="text-align: center; vertical-align: top;">567</td> <td></td> <td></td> </tr> </tbody> </table> <div style="margin-top: 20px;"> RESTRICTIONS: Permitted for oil only. This is a hydrogen sulfide field. This well shall be drilled in accordance with SWR 36. </div> <div style="margin-top: 20px;"> ' ** ' PRECEDING FIELD NAME INDICATES RULE (R37) </div> <div style="margin-top: 20px; text-align: center;"> THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS </div> <p style="margin-top: 10px;">This well shall be completed and produced in compliance with applicable special field or statewide spacing and density rules. If this well is to be used for brine mining, underground storage of liquid hydrocarbons in salt formations, or underground storage of gas in salt formations, a permit for that specific purpose must be obtained from Environmental Services prior to construction, including drilling, of the well in accordance with Statewide Rules 81, 95, and 97.</p>			FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST LEASE	WELL # NEAREST WE	DIST	-----	-----	-----	-----	---	** MARTIN (CONSOLIDATED)	167.96	7,750	3	08	UNIVERSITY 11-13	100	567		
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** MARTIN (CONSOLIDATED)	167.96	7,750	3	08																		
UNIVERSITY 11-13	100	567																				

ANDREWS County, Texas
SL Description 2598' FNL & 2382' FWL
BH Description

SECTION 13, BLOCK 11, UNIVERSITY LAND SURVEY



Operator SandRidge EXPLORATION & PRODUCTION, LLC Note: For survey construction, corner descriptions and records references, see supporting documents in file.
Lease Name & Well No. UNIVERSITY 11-13 #3
Ground Elev. 3290' Alternate Location RESTAKE
Coordinates NAD 27 TNC ZONE X = 376433 Y = 218105 LAT.: N 32.15467 LONG.: W 102.74797
NAD 83 TNC ZONE LAT.: N 32.15478 LONG.: W 102.74842
Topography & Vegetation SANDY NATURAL PASTURE- LEASE ROAD 650' NORTH
Best Accessibility to Location FROM JCT. HWY. 181 & HWY. 115 SW OF ANDREWS, GO S. 1.7 M. ON HWY. 115.
W. ON CALICHE RD. 0.2 M., N 0.1 M & W 0.2 M TO LOC.
Distance & Direction ±16 MILES SOUTHWEST OF ANDREWS

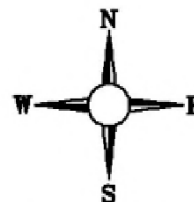


The above sketch represents the location as staked on the ground and is for permit purposes only.

RESTAKED This the 7th day of February, 2011
Jeffrey D. Suiter

Jeffrey D. Suiter

Registered Professional Land Surveyor No. 4650



Scale: 1" = 1000'

Job # 11052-2 RE