

API No. <u>42-003-44107</u> Drilling Permit # <u>735902</u> SWR Exception Case/Docket No. <u>0275353</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. <u>748011</u>		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 7		5. Well No. <u>8</u>					
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 <u>7300</u>		9. Do you have the right to develop the minerals under any right-of-way ? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
SURFACE LOCATION AND ACREAGE INFORMATION							
11. RRC District No. <u>08</u>		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>13</u> miles in a <u>NW</u> direction from <u>Andrews</u> which is the nearest town in the county of the well site.							
15. Section <u>20</u>	16. Block <u>13</u>	17. Survey <u>UL</u>		18. Abstract No. <u>A-U412</u>	19. Distance to nearest lease line: <u>74</u> ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>160.93</u>	
21. Lease Perpendiculars: <u>74</u> ft from the <u>W</u> line and <u>1052</u> ft from the <u>N</u> line. 22. Survey Perpendiculars: <u>2570</u> ft from the <u>E</u> line and <u>1600</u> ft from the <u>S</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	
<u>08</u>	<u>33230001</u>	<u>FULLERTON</u>		<u>Oil Well</u>	<u>7300</u>	<u>716.00</u>	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
Remarks [FILER Mar 12, 2012 1:38 PM]: SandRidge is the only affected offset operator				Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge. <div style="display: flex; justify-content: space-between;"> <div> <u>Bill Spencer, Consultant</u> Name of filer </div> <div> <u>Mar 12, 2012</u> Date submitted </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <u>(512)9181062</u> Phone </div> <div> <u>bill@spencerconsulting.org</u> E-mail Address (OPTIONAL) </div> </div>			
RRC Use Only							
Data Validation Time Stamp: Mar 24, 2012 7:21 AM('As Approved' 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;">735902</div>	DATE PERMIT ISSUED OR AMENDED <div style="text-align: center;">Mar 24, 2012</div>	DISTRICT <div style="text-align: center;">* 08</div>										
API NUMBER <div style="text-align: right;">42-003-44107</div>	FORM W-1 RECEIVED <div style="text-align: center;">Mar 12, 2012</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;">160.93</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 7</div>		WELL NUMBER <div style="text-align: center;">8</div>										
LOCATION <div style="text-align: center;">13 miles NW direction from ANDREWS</div>		TOTAL DEPTH <div style="text-align: center;">7300</div>										
Section, Block and/or Survey <div style="display: flex; justify-content: space-between;"> <div>SECTION ◀ 20</div> <div>BLOCK ◀ 13</div> <div>ABSTRACT ◀ U412</div> </div> <div style="display: flex; justify-content: space-between;"> <div>SURVEY ◀ UL</div> <div></div> <div></div> </div>												
DISTANCE TO SURVEY LINES <div style="text-align: center;">2570 ft. E 1600 ft. S</div>		DISTANCE TO NEAREST LEASE LINE <div style="text-align: center;">74 ft.</div>										
DISTANCE TO LEASE LINES <div style="text-align: center;">74 ft. W 1052 ft. N</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;"> * SEE FIELD DISTRICT FOR REPORTING PURPOSES * ** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(B) ** CASE NO. 0275353 </div>												
<table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:60%;">FIELD NAME LEASE NAME</th> <th style="width:10%;">ACRES NEAREST LEASE</th> <th style="width:10%;">DEPTH NEAREST WE</th> <th style="width:10%;">WELL # NEAREST WE</th> <th style="width:10%;">DIST ---</th> </tr> </thead> <tbody> <tr> <td> ** FULLERTON <div style="text-align: center;">UNIVERSITY 7</div> </td> <td style="text-align: center;">160.93 74</td> <td style="text-align: center;">7,300</td> <td style="text-align: center;">8 716</td> <td style="text-align: center;">08</td> </tr> </tbody> </table>			FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST WE	WELL # NEAREST WE	DIST ---	** FULLERTON <div style="text-align: center;">UNIVERSITY 7</div>	160.93 74	7,300	8 716	08
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** FULLERTON <div style="text-align: center;">UNIVERSITY 7</div>	160.93 74	7,300	8 716	08								
RESTRICTIONS: This is a hydrogen sulfide field. Hydrogen Sulfide Fields with perforations must be isolated and tested per State Wide Rule 36 and a Form H-9 filed with the district office. Fields with SWR 10 authority to downhole commingle must be isolated and tested individually prior to commingling production.												
' ** ' PRECEDING FIELD NAME INDICATES RULE (R37)												
<div style="text-align: center;">THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS</div> <p>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>												

Groundwater
Advisory Unit

GROUNDWATER PROTECTION DETERMINATION

Date **March 23, 2012**

GAU File No.: SC- **15086**

***** EXPEDITED APPLICATION *****

API Number **00300000**

Attention: **SPENCE LAIRD**

RRC Lease No. **000000**

SC_748011_00300000_000000_15086.pdf

SANDRIDGE E&P LLC
123 ROBERT S KERR
OKLAHOMA CITY OK 73102

P-5# 748011

--Measured--

2570 ft FEL

1600 ft FSL

MRL: SURVEY

Digital Map Location:

X-coord/Long **369046**

Y-coord/Lat **296702**

Datum **27**

Zone **NC**

County **ANDREWS**

Lease & Well No. **UNIVERSITY 7 #8&ALL**

Purpose **ND**

Location **SUR-UL, BLK-13, SEC-20, -- [TD=7300] , [RRC 8] ,**

To protect usable-quality groundwater at this location, the Groundwater Advisory Unit of the Texas Railroad Commission recommends:

The interval from the land surface to a depth of 250 feet and the ZONE from 1100 feet to 1550 feet must be protected.

This recommendation is applicable to all wells drilled in this SECTION 20.

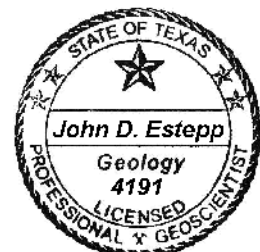
Note: Unless stated otherwise, this recommendation is intended to apply only to the subject well and not for area-wide use. **This recommendation is intended for normal drilling, production, and plugging operations only. It does not apply to saltwater disposal operation into a nonproductive zone (RRC Form W-14).**

If you have any questions, please contact us at 512-463-2741, gau@rrc.state.tx.us, or by mail.

Sincerely,

John D. Estepp, P.G.

GEOLOGIST SEAL

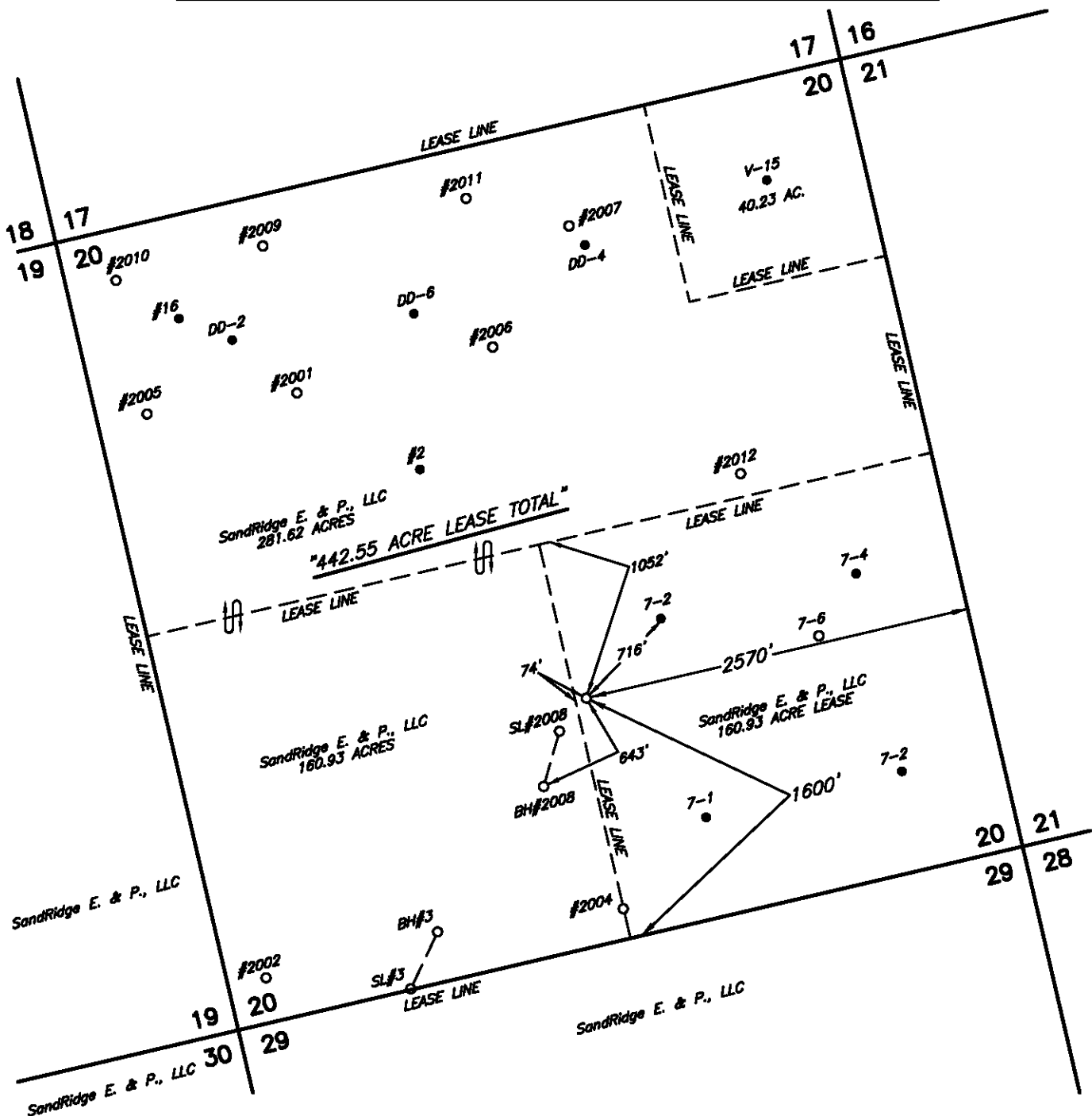


Geologist, Groundwater Advisory Unit
Oil & Gas Division

The seal appearing on this document was authorized by John D. Estepp on 3/23/2012
Note: Alteration of this electronic document will invalidate the digital signature.

ANDREWS County, Texas
SL Description 1600' FSL & 2570' FEL
BH Description _____

SECTION 20, BLOCK 13, 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 7 #8

Ground Elev. 3285' Alternate Location NONE

Coordinates NAD 27 TNC ZONE X = 389048 Y = 296702 LAT.: N 32.36944 LONG.: W 102.78457

NAD 83 TNC ZONE LAT.: N 32.36944 LONG.: W 102.78502

Topography & Vegetation NATURAL PASTURE - LSE RD 300' SW

Best Accessibility to Location FROM JCT. HWY. 181 & HWY. 176 NW OF ANDREWS. GO N 1.4 M. ON HWY. 181.

W. ON CALICHE RD. 0.4 M. N 0.4 M & W 0.4 M TO LOC.

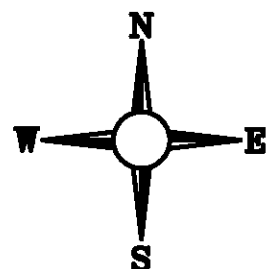
Distance & Direction ±13 MILES NORTHWEST OF ANDREWS



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

This the 23rd day of February, 2012
Jeffrey D. Suiter

[Signature]



Job # 12080-2

Registered Professional Land Surveyor No. 4650

Scale : 1" = 1000'