

API No. <u>42-475-35634</u> Drilling Permit # <u>704045</u> SWR Exception Case/Docket No. _____		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) <u>SANDRIDGE EXPL. AND PROD., LLC</u>		3. Operator Address (include street, city, state, zip): 		
4. Lease Name <u>UNIVERSITY 17-23</u>		5. Well No. <u>3</u>				
GENERAL INFORMATION						
6. Purpose of filing (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between;"> <input checked="" type="checkbox"/> New Drill <input type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input type="checkbox"/> Re-Enter </div> <div style="display: flex; justify-content: space-between;"> <input type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D) </div>						
7. Wellbore Profile (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between;"> <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 </div>						
8. Total Depth <u>6750</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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
SURFACE LOCATION AND ACREAGE INFORMATION						
11. RRC District No. <u>08</u>		12. County <u>WARD</u>		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>3.4</u> miles in a <u>NW</u> direction from <u>Pyote</u> which is the nearest town in the county of the well site.						
15. Section <u>23</u>	16. Block <u>17</u>	17. Survey <u>UL</u>	18. Abstract No. <u>A-</u>	19. Distance to nearest lease line: <u>660</u> ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>320.46</u>	
21. Lease Perpendiculars: <u>660</u> ft from the <u>E</u> line and <u>1980</u> ft from the <u>N</u> line. 22. Survey Perpendiculars: <u>1980</u> ft from the <u>N</u> line and <u>660</u> ft from the <u>E</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	32. Number of Wells on this lease in this Reservoir
08	15499380	CAPRITO (DELAWARE MIDDLE)	Oil or Gas Well	6750	1326.00	3
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.			
			<div style="display: flex; justify-content: space-between;"> <div> <u>Bill Spencer</u> Name of filer <u>(512)9181062</u> Phone </div> <div> <u>Oct 20, 2010</u> Date submitted <u>bgsaustin@sbcglobal.net</u> E-mail Address (OPTIONAL) </div> </div>			
RRC Use Only Data Validation Time Stamp: Oct 25, 2010 10:34 AM(Current Version)						

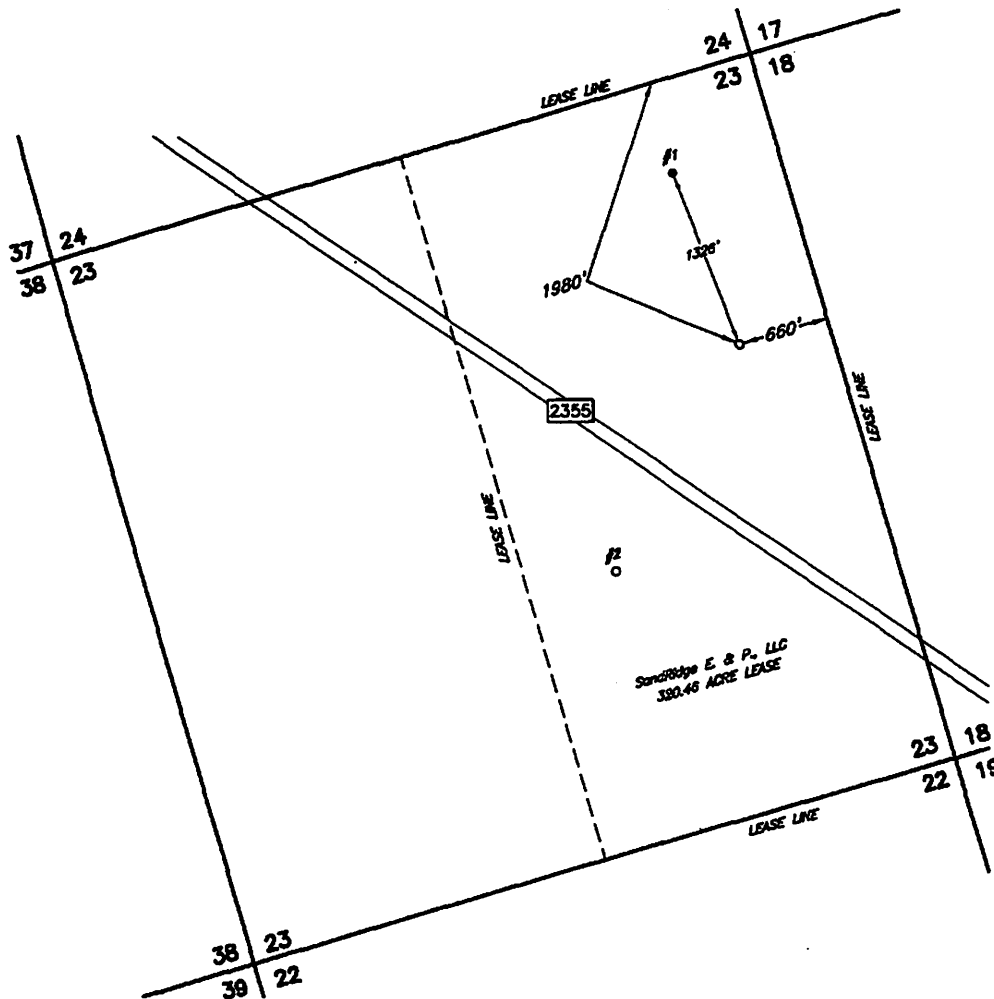
**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION**

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

PERMIT NUMBER 704045	DATE PERMIT ISSUED OR AMENDED Oct 22, 2010	DISTRICT * 08	
API NUMBER 42-475-35634	FORM W-1 RECEIVED Oct 20, 2010	COUNTY WARD	
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Vertical	ACRES 320.46	
OPERATOR SANDRIDGE EXPL. AND PROD., LLC		748011 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: (432) 684-5581	
LEASE NAME UNIVERSITY 17-23		WELL NUMBER 3	
LOCATION 3.4 miles NW direction from PYOTE		TOTAL DEPTH 6750	
Section, Block and/or Survey SECTION ◀ 23 BLOCK ◀ 17 ABSTRACT ◀ SURVEY ◀ UL			
DISTANCE TO SURVEY LINES 1980 ft. N 660 ft. E		DISTANCE TO NEAREST LEASE LINE 660 ft.	
DISTANCE TO LEASE LINES 660 ft. E 1980 ft. N		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below	
FIELD(s) and LIMITATIONS: <p align="center">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</p>			
FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST LEASE	WELL # NEAREST WE
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CAPRITO (DELAWARE MIDDLE)	320.46	6,750	3
UNIVERSITY 17-23	660	1326	08
RESTRICTIONS: This is a hydrogen sulfide field. This well shall be drilled in accordance with SWR 36.			
<p align="center">THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS</p> <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>			

WARD _____ County, Texas
SL Description 1980' ENL & 660' FEL
BH Description _____

SECTION 23, BLOCK 17, UNIVERSITY LAND SURVEY



Operator SandRidge EXPLORATION & PRODUCTION, LLC Note: For survey construction, corner descriptions and record references, see supporting documents in file.
Lease Name & Well No. UNIVERSITY 17-23 #3
Ground Elev. 2653' Alternate Location NONE
Coordinates NAD 27 TC ZONE X = 1114592 Y = 698078 LAT: N 31.65769 LONG: W 103.17819
Coordinates NAD 83 TC ZONE LAT: N 31.65766 LONG: W 103.17667
Topography & Vegetation NATURAL PASTURE
Best Accessibility to Location FROM LEASE ROAD ±1300' NORTHWEST OF THE LOCATION
Distance & Direction ±3.6 MILES NORTHWEST OF PYOTE - FROM THE JCT. OF HWY. 115 & RR. 2355 IN PYOTE
GO 4 MILES WEST & NORTHWEST ON RR. 2355 & NE. ON LEASE RD. 0.4 M. TO LOC.

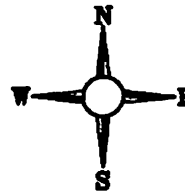


The above sketch represents the location as staked on the ground and is for permit purposes only.

This the 13th day of October, 2010
Jeffrey D. Sutter

Jeffrey D. Sutter

Registered Professional Land Surveyor No. 4650



Scale: 1" = 1000'

Job # 10286