

API No. <u>42-003-41592</u> Drilling Permit # <u>694031</u> SWR Exception Case/Docket No. <u>0266389</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 PHILLIPS UNIVERSITY P		5. Well No. <u>14</u>				
GENERAL INFORMATION						
6. Purpose of filing (mark ALL appropriate boxes): ☒ New Drill ☐ Recompletion ☐ Reclass ☐ Field Transfer ☐ Re-Enter ☒ Amended ☐ Amended as Drilled (BHL) (Also File Form W-1D)						
7. Wellbore Profile (mark ALL appropriate boxes): ☒ Vertical ☐ Horizontal (Also File Form W-1H) ☐ Directional (Also File Form W-1D) ☐ Sidetrack						
8. Total Depth <u>12000</u>		9. Do you have the right to develop the minerals under any right-of-way? ☒ Yes ☐ No		10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? ☐ Yes ☒ No		
SURFACE LOCATION AND ACREAGE INFORMATION						
11. RRC District No. <u>08</u>		12. County ANDREWS		13. Surface Location ☒ Land ☐ Bay/Estuary ☐ Inland Waterway ☐ Offshore		
14. This well is to be located <u>16</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 <u>13</u>	16. Block <u>11</u>	17. Survey <u>UL</u>	18. Abstract No. <u>A-</u>	19. Distance to nearest lease line: <u>988</u> ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>294</u>	
21. Lease Perpendiculars: <u>988</u> ft from the <u>W</u> line and <u>992</u> ft from the <u>SOUTH</u> line.						
22. Survey Perpendiculars: <u>1725</u> ft from the <u>E</u> line and <u>992</u> ft from the <u>SOUTH</u> line.						
23. Is this a pooled unit? ☐ Yes ☒ No		24. Unitization Docket No:		25. Are you applying for Substandard Acreage Field? ☒ Yes (attach Form W-1A) ☐ 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	57774275	MARTIN (CONSOLIDATED)	Oil or Gas Well	8000	626.00	15
08	57774581	MARTIN (SAN ANDRES)	Oil Well	8000	852.00	9
08	09230426	BLOCK 11 (FUSSELMAN)	Oil Well	8000	852.00	4
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS						
Remarks (FILER Jun 23, 2010 8:26 AM): Rule 37 NOA, Rule 37 on the Martin Granted previously, filed to add the Block 11 (Fusselman); [RRC STAFF Jun 23, 2010 8:46 AM]: No spud date; surface location same.			Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge. <u>Bill Spencer</u> Name of filer <u>(512)9181062</u> Phone <u>Jun 23, 2010</u> Date submitted <u>bgsaustin@sbcglobal.net</u> E-mail Address (OPTIONAL)			
RRC Use Only Data Validation Time Stamp: <u>Jul 21, 2010 4:39 PM(Current Version)</u>						

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 694031	DATE PERMIT ISSUED OR AMENDED (AMENDED) Jul 20, 2010	DISTRICT * 08	
API NUMBER 42-003-41592	FORM W-1 RECEIVED Jun 23, 2010	COUNTY ANDREWS	
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Vertical	ACRES 294	
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 PHILLIPS UNIVERSITY P		WELL NUMBER 14	
LOCATION 16 miles SW direction from ANDREWS		TOTAL DEPTH 12000	
Section, Block and/or Survey SECTION 13 BLOCK 11 ABSTRACT 1 SURVEY UL			
DISTANCE TO SURVEY LINES 1725 ft. E 992 ft. SOUTH		DISTANCE TO NEAREST LEASE LINE 988 ft.	
DISTANCE TO LEASE LINES See FIELD(s) / RESTRICTIONS Below		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below	
FIELD(s) and LIMITATIONS: * SEE FIELD DISTRICT FOR REPORTING PURPOSES * ** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(A) ** CASE NO. 0266389			
FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST LEASE	WELL # NEAREST WE
MARTIN (CONSOLIDATED) PHILLIPS UNIVERSITY P	294.00 988	8,000 626	14 08
RESTRICTIONS: This is a hydrogen sulfide field. This well shall be drilled in accordance with SWR 36. Surface Location Lease Lines: 988.0 F W L 992.0 F SOUTH L			
** BLOCK 11 (FUSSELMAN) PHILLIPS UNIVERSITY P	294.00 988	8,000 852	14 08
RESTRICTIONS: This is a hydrogen sulfide field. This well shall be drilled in accordance with SWR 36. Surface Location Lease Lines: 988.0 F W L 992.0 F SOUTH L			
MARTIN (SAN ANDRES) PHILLIPS UNIVERSITY P	294.00 988	8,000 852	14 08
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Section, Block and/or Survey SECTION 13 BLOCK 11 ABSTRACT SURVEY UL		
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FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST WE
WELL # NEAREST WE		
DIST		
' ** ' PRECEDING FIELD NAME INDICATES RULE (R37)		
THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS		
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.		

SUBSTANDARD ACREAGE CERTIFICATION

W-1A

www.rrc.state.tx.us

*This facsimile W-1A was originally filed electronically. A certification
of the automated data is available in the RRC's Austin office.*

Rev. 05/2001

1. Operator Name SANDRIDGE EXPL. AND PROD., LLC			2. Operator P-5 Number 748011		3. RRC District Number 08	
4. Lease, Pooled Unit or Unitized Tract Name PHILLIPS UNIVERSITY P			5. Lease/ ID Number (if assigned) N/A		6. Purpose of Filing ☐ Only Well ☐ Surplus Acreage ☐ Other Docket # _____	
7. Total Acres in Lease, Pooled Unit or Unitized Tract 294			8. Well Number 14			
9. County ANDREWS			10. API Number 42-003-41592			
11. Field Name Field Number Dist. <i>RRC use only</i>						
Field 1 MARTIN (CONSOLIDATED)			57774275	08	Disc Date <not found>(O) 11/20/2000 (G)	Rules Eff. Date 12/01/2000 (O) 11/20/2000 (G)
Field 2 BLOCK 11 (FUSSELMAN)			09230426	08	Disc Date 01/31/1961 (O)	Rules Eff. Date 07/17/2007 (O)
Field 3					Disc Date	Rules Eff. Date

CERTIFICATION FOR AN OPERATOR SEEKING A PERMIT ON A LEASE, POOLED UNIT OR UNITIZED TRACT WHICH CONTAINS SUBSTANDARD ACREAGE AS DEFINED BY EITHER STATEWIDE RULE 38 OR BY SPECIAL FIELD RULES.

- A. This lease, pooled unit or unitized tract was established as a separate tract in its present size and shape on
(Field 1) 07/24/1969 (Field 2) 07/24/1969 and has remained as such since that date.
- B. The ownership in this lease, unitized tract or the drill site tract of a pooled unit has not:
- I) been the same as or common to the ownership of any adjoining tract at any time after the date set forth in paragraph A.; and,
 - II) been unitized or pooled with any adjoining tract and accepted as a single tract for any Commission approved development or allowable purpose.

CERTIFICATION:

I declare under penalties prescribed pursuant to the Sec. 91.143, Texas Natural Resources Code, that I am authorized to make the foregoing statements and that the information provided by me or under my direction on this Substandard Acreage Certification is true, correct, and complete to the best of my knowledge.

Bill Spencer
Filer Name and Title

Jun 23, 2010
Date of Certification

(512)9181062
Business Phone

INSTRUCTIONS -- Reference: Statewide Rules 37(g) and 38(g)

- File this form as an attachment to the Form W-1 when the subject acreage is substandard for a permit to drill, deepen, plugback, or reenter in any or all applied for fields if the property took its present size and shape prior to the attachment of applicable Commission density regulations. If the described property took its present size and shape subsequent to the adoption of those regulations, a SWR 38 exception may be required.
- Provide the date the lease or unitized tract was formed in paragraph A above.

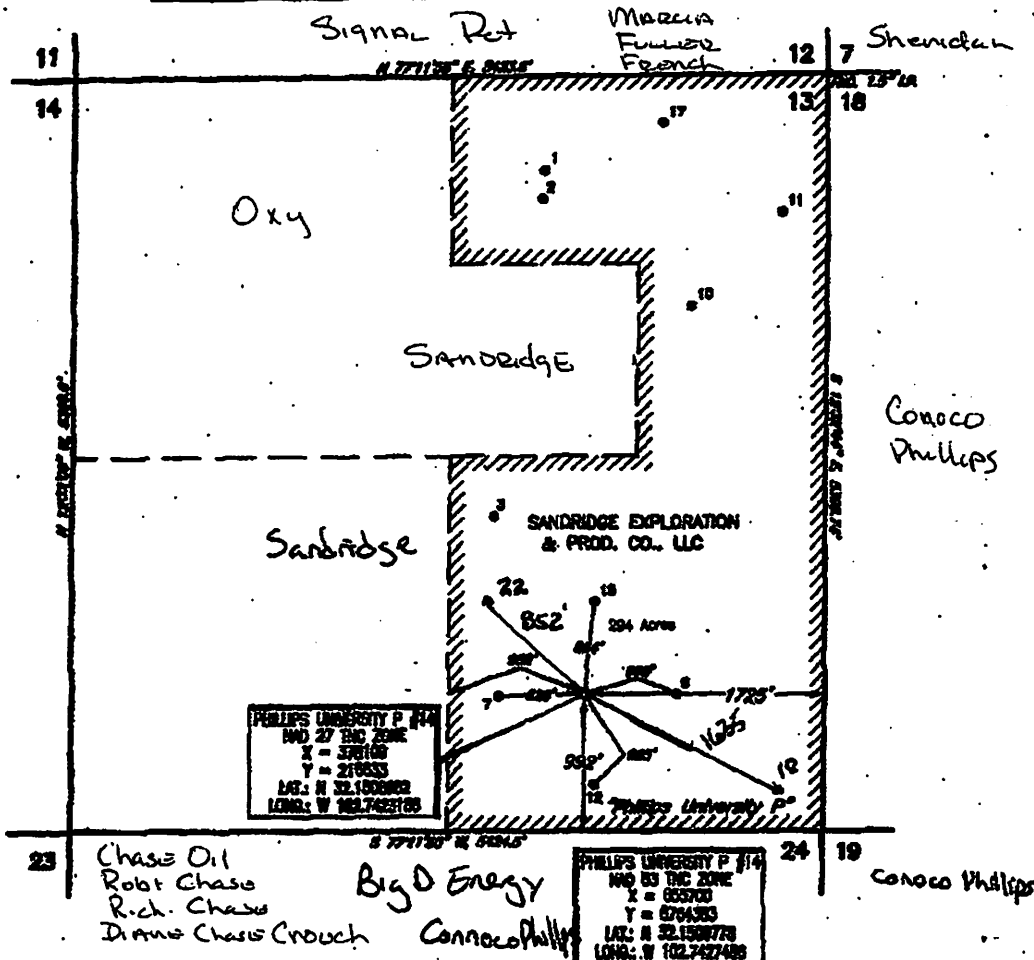
TOPOGRAPHIC

Surveying • Mapping • GIS • GPS
2803 N. 110 STREET • AMARILLO, TEXAS 79705
TELEPHONE (432) 682-1853 (800) 767-1853 • FAX (432) 682-1743

ANDREWS County, Texas

Description 882' FSL & 1725' FSL

SECTION 13, BLOCK 11, UNIVERSITY LAND



This location has been very carefully staked on the ground according to the best available survey records, maps, and other data available to us. This plot does not in any way represent a "boundary survey", and does not carry the usual civil liability insurance coverage of boundary surveys.

SCALE 1" = 1000'
0' 500' 1000'

Operator SANDRIDGE EXPLORATION & PROD. CO., LLC Date Staked MARCH 19, 2010
Lease Name & Well No. PHILLIPS UNIVERSITY P #14 Ground Elev. 3285'
Topography & Vegetation SCATTERED MESQUITE
Nearest Town in County 116.0 MILES SOUTHWEST OF ANDREWS, TEXAS
Driving Directions FROM JCT. OF HWY. 11 & E.M. 181 WEST OF ANDREWS, GO SOUTH 1.7 MILES ON E.M. 181, THENCE WEST 0.4 MILES, THENCE SOUTH 0.4 MILES, THENCE EAST 0.1 MILES TO A POINT ±100' NORTH OF THE LOCATION.



CERTIFICATION:

I, Robert J. Overton Jr., a Registered Professional Land Surveyor, and an authorized agent of Topographic Land Surveyors, do hereby certify that in my professional opinion the above described well location was surveyed and staked on the ground as shown. This plot is for Texas Railroad Commission permitting only.

Texas Reg. No. 5915

Invoice # 1040007786
DATE