

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**NMOCD ACOI 218-A**

**IN THE MATTER OF SANDRIDGE EXPLORATION AND PRODUCTION,  
LLC,**

**Respondent.**

**AMENDED  
INACTIVE WELL AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 4 of Inactive Well Agreed Compliance Order (“ACOI” or “Order”) 218, the Director of the Oil Conservation Division (“OCD”) hereby amends that order as follows:

**FINDINGS**

1. ACOI 218 requires Sandridge Exploration and Production, LLC (“Operator”) to return to compliance with OCD Rule 19.15.25.8 NMAC (“Part 25.8”) at least six of the wells identified in Exhibit “A” of the Order by September 1, 2010 and file a compliance report by that date.

2. ACOI 218 further provides that if Operator returns to compliance with Part 25.8 at least six of the wells identified in Exhibit “A” of the Order by September 1, 2010, files a timely compliance report, and is in compliance with OCD’s financial assurance requirements, the OCD shall issue an amendment extending the terms of ACOI 218 for a second six-month period, requiring Operator to return an additional six wells identified in Exhibit “A” of the Order to compliance by that deadline.

3. Operator filed a timely compliance report, and the OCD has verified that OCD records indicate that Operator has returned the following six wells identified in Exhibit “A” of the Order to compliance:

- 30-025-01442 CAPROCK MALJAMAR UNIT #003
- 30-025-01460 CAPROCK MALJAMAR UNIT #017
- 30-025-01455 CAPROCK MALJAMAR UNIT #019
- 30-025-32923 CAPROCK MALJAMAR UNIT #140
- 30-025-33264 CAPROCK MALJAMAR UNIT #147
- 30-025-32422 CAPROCK MALJAMAR UNIT #153

## CONCLUSIONS

1. Operator has met its goal of returning six of the wells identified in Exhibit "A" of the Order to compliance by September 1, 2010.

2. The OCD should amend ACOI 218 to extend its terms through March 1, 2011 and require Operator to return to compliance by that date six additional wells identified in Exhibit "A" of the Order that are not identified in Findings Paragraph 3, above.

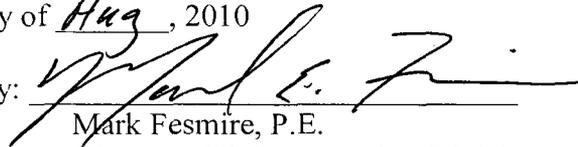
## ORDER

1. Operator shall return to compliance by March 1, 2011 at least six additional wells identified in Exhibit "A" of the Order that are not identified in Findings Paragraph 3, above.

2. Operator shall file a written compliance report by March 1, 2011 identifying the wells returned to compliance in the second period, identifying each well returned to compliance, stating the date it was returned to compliance and describing how the well was returned to compliance (restored to production or other approved beneficial use, plugged wellbore, approved temporary abandonment status). The written compliance report must be mailed or e-mailed to the OCD's Enforcement and Compliance Manager (email: daniel.sanchez@state.nm.us) and Assistant General Counsel Sonny Swazo (email: sonny.swazo@state.nm.us) so that it is received by the compliance deadline of March 1, 2011.

3. The terms of ACOI 218 otherwise remain in effect.

Done at Santa Fe, New Mexico this 25<sup>th</sup> day of Aug, 2010

By: 

Mark Fesmire, P.E.

Director, Oil Conservation Division