Form 3160-5 (August 2007)

OCD-HOBBS **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

HOBBS OCD

FORM APPROVED OMB No 1004-0137 Expires: July 31, 2010

5. Lease Serial No. LC065525B

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS N 2 7 2011 Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on page 2. 1. Type of Well 8. Well Name and No Elliott #1 Oil Well Gas Well Other 9 API Well No 30-025-06329 2. Name of Operator SandRidge E&P, LLC 3a. Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 123 Robert S Kerr Ave OKC OK 73102-6406 Hare:Simpson (405) 429-5500 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660 FSL, 660 FWL UL M 11 Country or Parish, State Lea County, NM SEC 1, T21S, R37E 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Water Shut-Off Acidize Deepen Production (Start/Resume) Notice of Intent Fracture Treat Reclamation Well Integrity Alter Casing 7 Other New Construction Casing Repair Recomplete Subsequent Report OPERATOR CHANGE Plug and Abandon Change Plans Temporarily Abandon Water Disposal Final Abandonment Notice Convert to Injection Plug Back 13 Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection) SandRidge E&P, LLC, respectfullly requests a change of operator from McElvain Oil and Gas Properties, Inc., to SandRidge E&P, LLC, for the above The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations on the leased lands or portions thereof. Effective Date: March 4, 2011 Location: Lea County, New Mexico APPROVED BLM Nationwide Bond #: B005997 + NMB 000 765 NMB000548

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Linda Guthrie

JUN 2 3 2011 /s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE

	Title Regulatory Manager		
signaturel Ada Guthrie	Date 03/11/2011		
THIS SPACE FOR FEDERAL OR STATE OFFICE USE			

Approved by Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would Office

Title 18 U.S C. Section 1001 and Title 43 U.S C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

entitle the applicant to conduct operations instead

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Conditions of Approval

SandRidge E&P LLC

- 1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
- 2. All above ground structures and equipment on the lease shall be painted Shale Green (5Y 4/2). This is to be done within 90 days, if you have not already done so.
- 3. Submit for approval of water disposal method.
- 4. Submit updated facility diagrams as per Onshore Order #3
- 5. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 6. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 7. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
- 8. Subject to like approval by NMOCD.