6 t	UNITED STATES DEPARTMENT OF THE BUREAU OF LAND MAN	INTERIOR	CD Hobbs	FORM APPROVED OM B No 1004-0135 Expires January 31, 2004 5 Lease Senal No
	NOTICES AND REP			LC062170-A 6. If Indian, Allottee or Tribe Name
RECEIVE and oned w	his form for proposals t ell. Use Form 3160-3 (/	o ariii or to re-e APD) for such pro	posals.	o. It morally more of the name
SUBMIT IN TR	IPLICATE- Other instr	ructions on rever	se side.	7 If Unit or CA/Agreement, Name and/or No
l Type of Well ✓ Oıl Well □ □	Gas Well Other			8 Well Name and No.
2 Name of Operator SandRidge F	Expl. & Prod., LLC			Parcell Federal #6 9. API Well No
3a Address 123 Robert S Kerr Ave., OKC	, ОК 73102	3b Phone No (include 405-429-6518	area code)	30-025-40774 10 Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec,	T, R, M, or Survey Description)			Wantz; Abo
SHL: 1375' FSL & 1375' FEI BHL: 330' FSL & 2312' FEL				11 County or Parish, State Lea, NM
12. CHECK A	PPROPRIATE BOX(ES) TO	INDICATE NATUR	E OF NOTICE, I	REPORT, OR OTHER DATA
TYPE OF SUBMISSION		TYP	E OF ACTION	
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (S Reclamation Recomplete Temporarily A Water Disposa	Well Integrity ✓ Other Change the BHL bandon
If the proposal is to deepen dire Attach the Bond under which the following completion of the instantial testing has been completed. Find determined that the site is ready SandRidge Expl. & Prod.,	ectionally or recomplete horizontally the work will be performed or providually volved operations. If the operation is an all Abandonment Notices shall be for final inspection.) LLC respectfully requests the	y, give subsurface location de the Bond No on file w results in a multiple compl filed only after all requiren right to move the bott	s and measured and tr ith BLM/BIA Requi- etion or recompletion nents, including reclar om hole location (E	any proposed work and approximate duration thereof the vertical depths of all pertinent markers and zones are subsequent reports shall be filed within 30 days in a new interval, a Form 3160-4 shall be filed once mation, have been completed, and the operator has the highest properties of the subsequent of the subseque
2310' FEL) on the APD signature been attached.	gned 9/18/12 to a new location	to be at 330' FSL & 23		ted C102, Drilling Program & Directional Plan
SEE ATTACHE	D FOR OF APPROVAL			PROVED CT 3 1 2012 mutan Alasa DE LAND MANAGEMENT
• • • • • • • • • • • • • • • • • • • •	70A ST. 157	mls	CARL	SBAD FIELD OFFICE

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)
Spence Laird

Title Regulatory Analyst

Date 10/16/2012

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 countable title to those rights in the subject lease which would entitle the applicant to conduct operations therein

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

(Instructions on page 2)

DRILLING PROGRAM

SandRidge Exploration and Production, LLC

Parcell Federal #6

Surface Location: 1375' FSL, 1375' FEL, Unit J, Sec 8, T21S R38E, Lea County, New Mexico Bottom Hole Location: 330' FSL, 2312' FEL, Unit O, Sec 8, T21S R38E, Lea County, New Mexico

1. Geologic Name of Surface Formation:

Quaternary

2. Estimated KB Tops of Geological Markers & Depths of Anticipated Fresh Water, Oil or Gas:

a.	Ogallala	100'	Water
b.	Rustler	1613'	Barren
c.	Top of Salt	1678'	Barren
d.	Base of Salt	2812'	Barren
e.	Tansil	2813'	Barren
f.	Yates	2936'	Oil/Gas
g.	Seven Rivers	3168'	Barren
h.	Queen	3533'	Barren
i.	Grayburg	4135'	Oil
j.	San Andres	4304'	Oil
k.	Glorieta	5635'	Oil
١.	Paddock	5675'	Barren
m.	Blinebry	6103'	Oil
n.	Tubb	6613'	Oil
ο.	Drinkard	6823'	Oil
p.	Abo	7263'	Oil
q.	Total Depth	7650' TVD	
		7820' MD	

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 8-5/8" casing @ 1648' and circulating cement back to the surface. The Abo intervals will be isolated by setting 5-1/2" casing to total depth and circulating cement to the surface.

3. Casing Program:

<u>Hole Size</u>	Hole Interval	OD Csg	Casing Interval	<u>Weight</u>	<u>Collar</u>	<u>Grade</u>	<u>N/U</u>
17	0-80'	14	0-80'	50#			
12 -1/4"	80-1648'	8-5/8"	0-1648'	24#	STC	J-55	New
7-7/8"	1648-7820'	5-1/2"	0-7820'	17#	LTC	L-80	New

Design Parameter Factors:

Casing Size	Collapse Design Factor	Burst Design Factor	Tension Design Factor
8-5/8"	1.78	3.82	6.17
5-1/2"	1.58	1.95	2.6

Casing load assumptions for new 8-5/8" J-55 24# casing:

Collapse: Fluid inside casing is evacuated. A full column of 9 ppg fluid is present in the annulus.

Burst: Fluid in the annulus is evacuated and a full column of 9 ppg fluid is present in the casing.

Tension: All fluid inside wellbore is evacuated

Casing load assumptions for new 5 ½" L-80 17# casing:

Collapse: Fluid inside casing is evacuated. A full column of 10 ppg fluid is present in the annulus.

Burst: Surface treating pressures will not exceed 4200 psi exposure to the casing.

Tension: All fluid inside wellbore is evacuated

4. Cement Program:

a. 14" Conductor

Ready-mix concrete

b. 8-5/8" Surface

Lead: 535 sacks (100% excess) Class C (65:35) Poz Cement ECONOCEM ™ System +3% lbm/sk Poly-E-Flake, 12.8 ppg, Yield: 1.86 ft^3/sk , Mixing Fluid: 9.94 gal/sk.

Tail: 270 sacks (100% excess) Class C Cement Halcem ™ System+ 2% Calcium Chloride+ 0.125 lbm/sk Poly-E-Flake, 14.8 ppg, Yield:1.35 ft^3/sk, Mixing Fluid 6.37 gal/sk. **TOC @ surface.**

c. 5 1/2" Production

Lead: 400 sacks (25% excess) Class H (50:50) Poz EXTENDACEM ™ System + 5 #/sk Gilsonite, 12.2 ppg, Yield 2.26 ft^3/sk, Mixing fluid:12.07 gal/sk.

Tail: 700 sacks (25% excess) Class H (50:50) Poz Versacem [™] System + 0.3% Halad [®]-9 + 3% Salt + 5 lbm/sk Gilsonite, 14.4 ppg, Yield: 1.25 ft³/sk, Mixing fluid: 5.06 gal/sk. **TOC** @ surface.

Final volumes will be determined using caliper log and 25% excess.

5. Pressure Control Equipment:

BOP DESIGN: The BOP system used to drill the production hole will consist of an 11" 3M Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 3M system prior to drilling out the surface casing shoe.

The pipe rams will be operated and checked each 24-hour period and each time the drill pipe is out of the hole. These tests will be logged into the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram

BOP. In addition to the rams and annular preventer, additional BOP accessories include a Kelly cock, floor safety valve, choke lines, and choke manifold rated at 3000 psi WP.

6. MUD PROGRAM SUMMARY:

DEPTH (TVD)	HOLE SIZE	CASING SIZE	MUD WT. (ppg)	VISCOSITY (cp)	FLUID LOSS (cc)
0 – 1,648'	12-1/4"	8-5/8"	8.6 – 9.4 FW	31 – 33	NC
1,644'- 4,100'	7-7/8"	5-1/2"	10.0 Brine	28 – 29	NC
4,100′′ – 6,300	7-7/8"	5-1/2"	10.0 Brine	30 – 31	15 – 10
6,300′ – 7,650′	7- 7/8"	5-1/2"	10.0 Brine	32 – 38	10 – 6

7. Auxiliary Well Control and Monitoring Equipment:

- a. A Kelly cock will be in the drill string at all times.
- b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.
- c. Hydrogen Sulfide detection equipment will be in operation prior to spud and throughout the entire drilling process until total depth is reached. Breathing equipment will be on location prior to spud and until total depth is reached.

8. Logging, Coring, and Testing Program:

Gamma Ray / Neutron – Surface to TD (7820' MD)
Spectral Gamma Ray, Density / Resistivity – Surface casing to TD (7820' MD)

9. Potential Hazards:

No abnormal pressures or temperatures are expected. If H2S is encountered, the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 4212 psi and estimated BHT 149 degrees. H2S monitoring equipment will be on location 24/7 during drilling operations.

10. Anticipated Starting Date and Duration of Operations:

- a. Location construction will begin after the BLM and NMOCD have approved the APD. Anticipated spud date will be as soon after approval as rig is available. Move in operations and drilling is expected to take 15 days.
- b. If production casing is run, an additional 30 days will be required to complete well and construct surface facilities and/or lay flow lines in order to place the well on production.

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 DISTRICT II 811 S First St., Artesia, NM 88210 Phone (575) 748-1283 Fax: (575) 748-9720 DISTRICT III 1000 Rio Britzos Road, Aztec, NM 87410 Phone. (505) 334-6178 Fax: (505) 334-6170 DISTRICT IV 1220 S. St. Francis Dr , Santa Fe, NM 87505 Phone. (505) 476-3460 Fax (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OCD OIL CONSERVATION DIVISION NOV 02 2012

1220 South St. Francis Dr. Santa Fe, New Mexico 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

MENDED REPORT

RECEIVED WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-40774	Pool Code 6 27 00	Pool Name	
90-025-40 1 77 Property Code	Property N	me Well Number	
	PARCELL F	EDERAL 6	
OGRID No.	Operator N	me Elevation	
270265	SANDRIDGE	E & P, LLC 3564'	

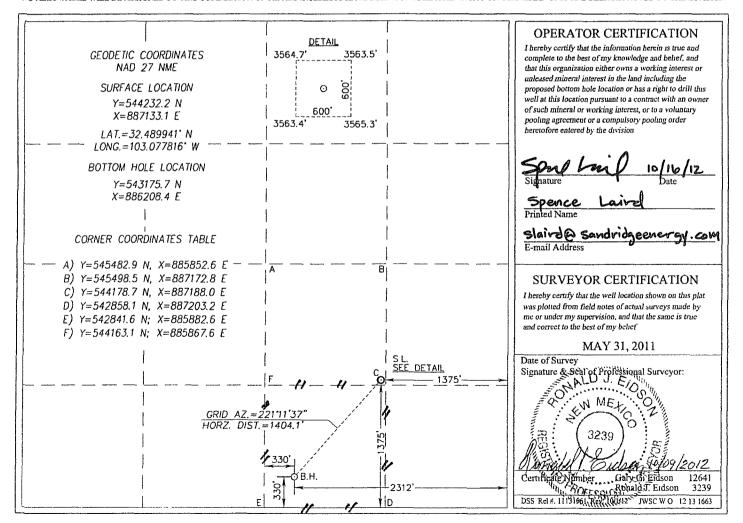
Surface Location

UL or lot	o. Sec	ction	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J		8	21-S	38-E		1375	SOUTH	1375	EAST	LEA

Bottom Hole Location If Different From Surface

O 8 21-S 38-E 330 SOUTH 2312' EAST Dedicated Acres Joint or Infill Consolidation Code Order No.	1	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	1
Dedicated Acres Joint or Infill Consolidation Code Order No.		0	8	21-S	38-E		330	SOUTH	2312'	EAST	LEA	7
		Dedicated Acres	Joint or	Infill	Consolidation Co	ode Ord	er No.	<u> </u>			<u> </u>	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



VDRIDGE THE POWER OF UST

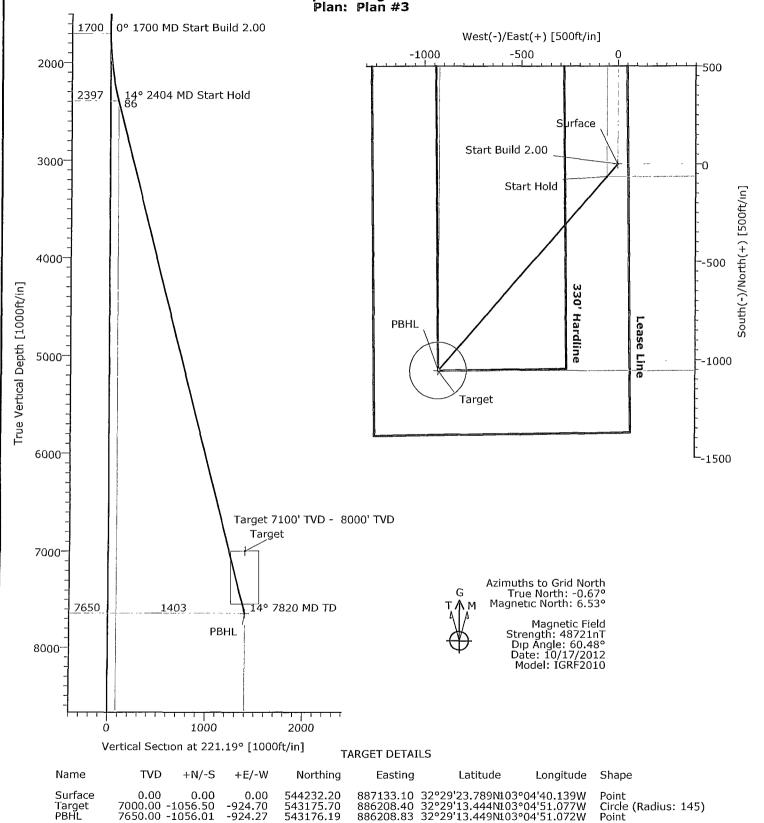
SANDRIDGE ENERGY

Field: Lea County NME'27 Site: Parcell Federal #6

Well: #6

Wellpath: Original Hole





SECTION DETAILS

Sec	: MD	Inc	Azı	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00		221.19	0.00	0.00	0.00	0.00	0.00	0.00	
2	1700.00	0.00	221.19	1700.00	0.00	0.00	0.00	0.00	0.00	
3	2403.88	14.08	221.19	2396.82	-64.74	-56.67	2.00	221.19	86.04	
4	7819.71	14.08	221.19	7650.00	-1056.01	-924.27	0.00	0.00	1403.36	PBHL

Plan Plan #3 (#6/Original Hole) Andrew Pigford Date 10/17/2012 PRECISION DIRECTIONAL SERVICES, INC.

Precision Office: 713-435-6250

Precision Directional Services, Inc Planning Report

10/17/2012 Time: 15:09:30 1 SANDRIDGE ENERGY Page: Company: Date: Co-ordinate(NE) Reference: Well: #6, Grid North Field: Lea County NME'27 3564' GL + 13' KB 3577.0 Site: Parcell Federal #6 Vertical (TVD) Reference: Well (0.00N,0.00E,221.19Azi) Well: #6 Section (VS) Reference: Original Hole Plan #3 Wellpath: Plan: Field: Lea County NME'27 Lea County, New Mexico New Mexico, Eastern Zone Map System: US State Plane Coordinate System 1927 Map Zone: Geo Datum: NAD27 (Clarke 1866) Coordinate System: Well Centre Sys Datum: Mean Sea Level Geomagnetic Model: IGRF2010 Site: Parcell Federal #6 Section 8, Township 21-S, Range 38-E Lea County, New Mexico 32 29 23.789 N Site Position: Northing: 544232.20 ft Latitude: From: Мар Easting: 887133.10 ft Longitude: 103 40.139 W Position Uncertainty: 0.00 ft North Reference: Grid 3564.00 ft 0.67 deg Ground Level: **Grid Convergence:** Well: #6 Slot Name: 23.789 N Well Position: 32 29 +N/-S 0.00 ft Northing: 544232.20 ft Latitude: 0.00 ft 887133.10 ft Longitude: 103 4 40.139 W Easting: 0.00 ft Position Uncertainty: Wellpath: Original Hole **Drilled From:** Surface Tie-on Depth: 0 00 ft Current Datum: 3564' GL + 13' KB Height 3577.00 ft Above System Datum: Mean Sea Level 10/17/2012 Declination: 7.21 deg Magnetic Data: Field Strength: 48721 nT Mag Dip Angle: 60.48 deg Vertical Section: Depth From (TVD) +N/-S +E/-W Direction fŧ deg ft ft 0.00 0.00 0.00 221.19 10/17/2012 Plan: Plan #3 Date Composed: Version: Tied-to: Principal: No From Surface Plan Section Information MD TVD +N/-S +E/-W DLS Build TFO Target Incl Azim deg ft deg/100ft deg/100ft deg/100ft ft deg fŧ ft deg 0.00 0.00 221.19 0.00 0.00 0.00 0.00 0.00 0.00 0.00 1700.00 0.00 0.00 0.00 0.00 0.00 0.00 221.19 1700.00 0.00 2403.88 0.00 14.08 221 19 2396.82 -64.74 -56.672.00 2.00 221.19 7819.71 14 08 221.19 7650.00 -1056.01 -924.27 0.00 0.00 0.00 0.00 PBHL Survey MD TVD +N/-S +E/-W VS DLS Build Turn Tool/Comment Incl Azim ft deg deg fŧ ft ft ft deg/100ft deg/100ft deg/100ft 1700 00 0.00 221 19 1700.00 0.00 0.00 0.00 0.00 0.00 0.00 1800 00 2.00 2 00 0.00 2.00 221.19 1799.98 -1.31 1.75 -1.150.00 1900.00 4.00 221 19 1899.84 -5.25-4.606.98 2.00 2.00 2000.00 6.00 221.19 1999.45 -11.81 -10.34 15.69 2.00 2.00 0.00 2100.00 8.00 221.19 2098.70 -20.98 -18.36 27.88 2.00 2.00 0.00 2200.00 10.00 221.19 2197.47 -32.75 43.52 2.00 2.00 0.00 -28.66 2300.00 12.00 221.19 2295.62 -47.11 -41.23 62.60 2.00 2.00 0.00 2403.88 14.08 221.19 2396 82 -64.74 -56.67 86.04 2.00 2.00 0.00 2500 00 14.08 0.00 0.00 221 19 2490 05 -82.33-72.06109.42 0.00 2600.00 14.08 221.19 2587.05 -100.64 -88.08 133.74 0.00 0.00 0.00 2700.00 14.08 221.19 2684.05 -118.94 158.06 0.00 0.00 0.00 -104.102800.00 14.08 221.19 2781.04 -137.24-120.12 182 39 0.00 0.00 0.00 2900.00 14.08 221.19 2878.04 -155.55 -136.14 206.71 0.00 0.00 0.00

3000.00

3100 00

3200.00

3300.00

14.08

14.08

14.08

14.08

221.19

221.19

221.19

221.19

2975.04

3072.03

3169.03

3266.03

-173.85

-192.15

-210.46

-228.76

-152.16

-168.18

-184.20

-200 22

231.04

255.36

279 68

304.01

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0.00

Precision Directional Services, Inc Planning Report

Company: SANDRIDGE ENERGY Lea County NME'27 Parcell Federal #6 #6 Field: Site:

Wellpath: Original Hole

Well:

Date: 10/17/2012 Time: 15:09:30 Co-ordinate(NE) Reference: Well: #6, Grid North Vertical (TVD) Reference: Section (VS) Reference:

2

Page:

weii. #6, Glid North 3564' GL + 13' KB 3577.0 Well (0.00N,0.00E,221.19Azi) Plan #3

MD	T-al	Action	TVD	+N/-S	+E/-W	VS	DLS	Build	Turn	Tool/Comment
ft	Incl deg	Azim deg	ft	+1 \/- 5	ft	ft		deg/100ft		TookComment
3400.00	14.08	221.19	3363.02	-247.06	-216.24	328.33	0.00	0.00	0 00	
3500.00	14.08	221.19	3460.02	-265.37	-232.26	352.65	0.00	0.00	0.00	
3600.00	14.08	221.19	3557.02	-283.67	-248.28	376.98	0.00	0.00	0.00	
3700.00	14.08	221.19	3654.01	-301.97	-264.30	401.30	0.00	0.00	0.00	
3800.00	14.08	221.19	3751.01	-320.28	-280.32	425.62	0.00	0.00	0.00	
3900.00	14.08	221.19	3848.01	-338.58	-296.34	449 95	0.00	0.00	0.00	
4000.00	14.08	221.19	3945.00	-356.88	-312.36	474.27	0.00	0.00	0.00	
4100.00	14.08	221.19	4042.00	-375.19	-328 38	498.60	0.00	0.00	0.00	
1100.00	11.00		10 12.00	0,0.10	020 00	100.00	0.00	0.00		
4200.00	14.08	221.19	4139 00	-393.49	-344.40	522.92	0.00	0.00	0.00	
4300.00	14 08	221.19	4235 99	-411.79	-360.42	547.24	0.00	0.00	0.00	
4400.00	14.08	221.19	4332.99	-430.09	-376.44	571.57	0.00	0.00	0.00	
4500.00	14.08	221.19	4429.99	-448.40	-392.46	595.89	0.00	0.00	0.00	
4600.00	14.08	221 19	4526.98	-466.70	-408.48	620.21	0.00	0.00	0 00	
1000.00			.020.00	755.75						
4700 00	14.08	221.19	4623.98	-485.00	-424.50	644.54	0.00	0 00	0.00	
4800 00	14.08	221.19	4720.98	-503.31	-440.52	668.86	0 00	0.00	0.00	
1900 00	14.08	221.19	4817.97	-521.61	-456.54	693.18	0.00	0.00	0.00	
5000.00	14.08	221.19	4914.97	-539.91	-472.56	717.51	0.00	0.00	0.00	
5100.00	14.08	221.19	5011.97	-558.22	-488.58	741.83	0.00	0.00	0.00	
3100.00	14.00	221.13	3011.37	-550.22	-400.00	741.00	0.00	0.00	0.00	
5200.00	14.08	221.19	5108.96	-576.52	-504.60	766.16	0.00	0.00	0 00	
5300.00	14.08	221.19	5205.96	-594.82	-520.62	790.48	0.00	0.00	0.00	
5400.00	14.08	221.19	5302.96	-613.13	-536.64	814.80	0.00	0.00	0.00	
5500.00	14.08	221.19	5399.95	-631.43	-552.66	839.13	0.00	0.00	0.00	
5600.00	14.08	221.19	5496.95	-649.73	-568.68	863.45	0.00	0.00	0.00	
00.000	14.00	221.19	3490.93	-043.73	-300.00	003.43	0.00	0.00	0.00	
5700 00	14.08	221.19	5593.95	-668.04	-584.70	887.77	0.00	0.00	0.00	
5800.00	14.08	221.19	5690.94	-686.34	-600.72	912.10	0.00	0.00	0.00	
5900.00	14.08	221.19	5787.94	-704.64	-616.74	936.42	0.00	0.00	0.00	
6000.00	14.08	221.19	5884.94	-722.95	-632.76	960.74	0.00	0.00	0.00	
6100.00	14.08	221.19	5981.93	-741.25	-648.78	985.07	0.00	0.00	0.00	
5100.00	14.00	221.19	3901.93	-741.25	-040.70	903.07	0.00	0.00	0.00	
5200.00	14.08	221.19	6078.93	-759.55	-664.80	1009.39	0.00	0.00	0.00	
5300.00	14.08	221.19	6175.93	-777.85	-680.82	1033.72	0.00	0.00	0.00	
6400.00	14.08	221.19	6272.92	-796.16	-696.83	1058.04	0.00	0.00	0.00	
3500.00	14.08	221.19	6369.92	-814 46	-712 85	1030.04	0.00	0.00	0.00	
600 00	14.08	221.19	6466.92	-832.76	-712.83	1106.69	0.00	0.00	0.00	
0000 00	14.00	221,13	0400.52	-032.70	-720.07	1100.03	0.00	0.00	0.00	
5700 00	14 08	221.19	6563 91	-851 07	-744 89	1131.01	0.00	0.00	0.00	
800.00	14.08	221.19	6660.91	-869.37	-760.91	1155.33	0.00	0.00	0.00	
900.00	14.08	221.19	6757.91	-887.67	-776.93	1179.66	0.00	0.00	0.00	
000.00	14.08	221.19	6854.90	-905.98	-792.95	1203.98	0.00	0.00	0.00	
100.00	14.08	221.19	6951.90	-924.28	-808.97	1228.30	0.00	0.00	0 00	
. 50.00	11.00		5551.56	JZ 1.20	000.07	.220.00	0.00	0.00	5 00	
149.59	14.08	221.19	7000 00	-933 36	-816 92	1240.37	0 00	0.00	0.00	Target
200.00	14.08	221.19	7048.90	-942.58	-824.99	1252.63	0.00	0.00	0.00	900
300.00	14.08	221.19	7145 89	-960.89	-841.01	1276.95	0.00	0.00	0.00	
400.00	14.08	221.19	7242.89	-979.19	-857.03	1301.27	0.00	0.00	0.00	
'500.00	14.08	221.19	7339 89	-997.49	-873 05	1325.60	0.00	0.00	0.00	
200.00	1 1.00		, 555 65	00710	0,000	1020.00	0.00	0.00	0.00	
600.00	14.08	221.19	7436.88	-1015 80	-889.07	1349.92	0.00	0.00	0.00	
700.00	14.08	221.19	7533.88	-1013 00	-905.09	1374.25	0.00	0.00	0.00	
700.00	14.08	221.19	7630.88	-1054.10	-921.11	1374.23	0.00	0.00	0.00	
'819.71	14.08	221.19	7650.00	-1056.01	-921.11 -924.27	1403 36	0.00	0.00	0.00	PBHL
515.71	17.00	441.10	1000.00	- 1000.01	-JZ-1.Z/	1400 00	0.00	0.00	0.00	ו שווע

Precision Directional Services, Inc **Planning Report**

Company: SANDRIDGE ENERGY Field: Site: Well:

Lea County NME'27 Parcell Federal #6 Well: #6
Wellpath: Original Hole

Date: 10/17/2012 Time: 15:09:30 Co-ordinate(NE) Reference: Well: #6, Grid North Vertical (TVD) Reference: Section (VS) Reference: Plan:

3564' GL + 13' KB 3577.0 Well (0.00N,0.00E,221.19Azi) Plan #3

Page:

Targets

Name	Descripti Dip.	ion Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	< Latitude> Deg Min Sec	< Longitude> Deg Min Sec
Surface			0.00	0.00	0.00	544232.20	887133.10	32 29 23.789 N	103 4 40.139 W
Target -Circle (Rac	dius: 145)		7000.00	-1056.50	-924.70	543175.70	886208.40	32 29 13.444 N	103 4 51 077 W
-Plan out by			7000.00	-933.36	-816.92	543298.84	886316.18	32 29 14.650 N	103 4 49.802 W
PBHL -Plan hit tar	rget		7650 00	-1056 01	-924.27	543176.19	886208.83	32 29 13.449 N	103 4 51.072 W

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME: | Sandridge Explo & Prod

LEASE NO.: LC062170A

WELL NAME & NO.: | 6 Parcell Federal SURFACE HOLE FOOTAGE: | 1375' FSL & 1375' FEL

BOTTOM HOLE FOOTAGE | 330' FSL & 2312' FEL

LOCATION: | Section 8, T.21 S., R.38 E., NMPM

COUNTY: Lea County, New Mexico

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

\Barkollar Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

- 1. A Hydrogen Sulfide (H2S) Drilling Plan should be activated 500 feet prior to drilling into the Blinebry formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.
- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. The record of the drilling rate along with the GR/N well log run from TD to surface shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.).

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possible lost circulation in the San Andres and Glorietta formations.

- 1. The 8-5/8 inch surface casing shall be set at approximately 1648 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

- 2. The minimum required fill of cement behind the 5-1/2 inch production casing is:

 ☐ Cement to surface. If cement does not circulate, contact the appropriate BLM office. Additional cement may be required − excess calculates to 23%.
- 3. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.
- 3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**.
 - c. The results of the test shall be reported to the appropriate BLM office.
 - d. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - e. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

E. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

JAM 103112