

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Response Required – Deadline Enclosed

29-Nov-10

SANDRIDGE EXPLORATION AND PRODUCTION, LLC

123 ROBERT S. KERR

OKLAHOMA CITY, OK 73102-6406

**LETTER OF VIOLATION
Delinquent Regulatory Filings**

Dear Operator:

Oil Conservation Division ("OCD") records indicate that you failed to file the required reports identified below, or that your filings were incomplete or inaccurate.

NON-COMPLIANT WELL DETAIL SECTION

MALJAMAR GRAYBURG UNIT No.086

Location: 4-17S-32E

30-025-33033-00-00

Original Well Type: Oil (Producing)

Well Status: Active

Determination or Violation Date: 11/29/2010

Delinquent Report or Filing(s): - Other Monitoring and Reporting Violation

Comments: OCD Hobbs has received C-103 subsequent Report for work done 04/28/10 to 06/10/10, stating adding perfs and producing from old & new perfs. As of today no C-105 & C-104 has been received for adding the new perfs. Also the new perfs are in another pool and with the old & new perfs you are producing this Downhole Commingled. There is also no Downhole Commingle order approved by the OCD Santa Fe office. This well needs to be Shut-in and kept shut-in until all paperwork has been approved by the OCD Santa Fe and Hobbs office. If you have questions about this matter, please call Donna Mull (575-393-6161 ext 115).

CORRECTIVE ACTION ON THIS WELL DUE BY: 12/13/2010

Please file or correct the reports identified above by the corrective action due date indicated. If you fail to file or correct the reports by that date, the OCD will take enforcement action that may include but is not limited to applying for an order assessing civil penalties and/or requiring you to plug and abandon the wells associated with those reports.

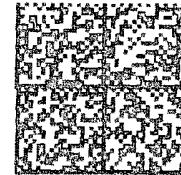
Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,



Hobbs OCD District Office

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



HASLER	015H14150977	US POSTAGE
	\$0.44	
	11/29/10	
	Mailed From 88240	

Sandridge Exploration & Production LLC
ATT: Terri Stathem
123 Robert S. Kerr Ave.
Oklahoma City, OK 73102