SandRidge Energy, Inc. Announces Reduced 2009 Capital Budget and Revised 2009 Production Guidance

Oklahoma City, Oklahoma, December 16, 2008 - SandRidge Energy, Inc. (NYSE:SD) today announced a revised 2009 capital expenditure budget of $500 million and production guidance of 110 Bcfe. Compared to the $1.0 billion budget announced October 2, 2008, this represents a $500 million reduction in capital expenditures. The revised budget permits SandRidge to operate within its cash resources and increase production by 10% over expected 2008 production. The company plans to reduce its rig count from a high of 47 rigs in September 2008 to 12 rigs at year-end 2008. Additions to the company's natural gas and oil derivatives contracts for 2009 production have resulted in swaps and collars covering a total of 79.8 Bcfe, or approximately 83% of expected natural gas production and 73% of expected total production, which is hedged at an average NYMEX price of $8.61 per Mcfe, and basis swaps covering 65.7 Bcf at an average differential to NYMEX prices of $0.74 per Mcf.

SandRidge also announced that it received several bids for its East Texas sales package that would have been accepted had there been certainty with respect to capital availability. While the Company is negotiating an agreement to sell its undeveloped deep rights in East Texas, it has decided that retaining and developing its Cotton Valley assets is a better alternative than selling into a weak commodity price environment. This asset is producing 50 MMcfe per day net. The last 23 wells drilled in the Minden field produced an average of 64 MMcfe in the first month, which is 68% above the company's East Texas type curve.

Tom Ward, CEO, commented, "During the fourth quarter, we have reduced our planned 2009 capital expenditures from $2.0 billion to the current $500 million in response to the weak commodity and economic environment. We are very pleased that even with a reduction of our capex to $500 million, we can grow our production by 10%. We are also on schedule to start our Century Plant in the second quarter of 2010. SandRidge has the assets to deliver high growth with low finding costs."

Guidance

Below are the company's current projections as of December 16, 2008. Amounts in bold and italics reflect changes from projections made on November 6, 2008.

	Year Ending December 31, 2008	Year Ending December 31, 2009
Production		
Natural Gas (Bcf)	86	***95***
Crude Oil (MMBbls)	2	***2***
Total (Bcfe)	100	***110***
Differentials		
Natural Gas	$0.90	***$0.70***
Crude Oil	10.00	9.00

	Year Ending December 31, 2008	Year Ending December 31, 2009
Costs per Mcfe		
Lifting	$1.59 - $1.75	$1.59 - $1.75
Production Taxes	0.36 - 0.40	***0.23 - 0.24***
DD&A - oil & gas	2.85 - 3.13	***2.71 - 2.85***
DD&A - other	0.75 - 0.82	***0.82 - 0.87***
Total DD&A	$3.60 - $3.95	***$3.53 - $3.72***
G&A - cash	0.85 - 0.94	***0.76 - 0.81***
G&A - stock	0.20 - 0.22	***0.25 - 0.26***
Total G&A	$1.05 - $1.16	***$1.01 - $1.07***
Interest Expense	$1.27 - $1.40	***$1.64 - $1.73***
Corporate Tax Rate	36%	36%
Deferral Rate	95%	***99%***
Shares Outstanding at End of Period (in millions)		
Common Stock	166.1	***170.4***
Fully Diluted	166.1	***170.4***
Capital Expenditures ($ in millions)		
Exploration and Production	***$1,390***	***$400***
Land and Seismic	***441***	***10***
Total Exploration and Production	***$1,831***	***$410***
Oil Field Services	***67***	***5***
Midstream and Other	***230***	***85***
Total Capital Expenditures	***$2,128***	***$500***

Derivative Contracts

Currently, natural gas and crude oil derivative contracts excluding basis swaps account for 72% of anticipated production for the fourth quarter of 2008 at $9.17 per Mcfe and 73% of anticipated production for 2009 at $8.61 per Mcfe. The table below sets forth the company's natural gas price and basis swaps and crude oil swaps and collars for 2008 through 2011 as of December 15, 2008.

	Quarter Ending	Year Ending	Quarter Ending				Year Ending	Quarter Ending				Year Ending	Year Ending
	12/31/2008	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/2009	12/31/2009	3/31/2010	6/30/2010	9/30/2010	12/31/2010	12/31/2010	12/31/2011
Natural Gas Swaps:													
Volume (Bcf)	17.48	70.77	20.70	20.93	18.71	18.40	78.74	14.18	14.33	14.49	14.49	57.49	0.00
Swap	$8.67	$8.40	$9.14	$7.96	$8.09	$8.54	$8.43	$8.20	$7.49	$7.71	$8.13	$7.88	NM
Natural Gas Basis Swaps:													
Volume (Bcf)	14.72	55.54	16.20	16.38	16.56	16.56	65.70	13.50	13.65	13.80	13.80	54.75	5.48
Swap	$0.65	$0.60	$0.74	$0.74	$0.74	$0.74	$0.74	$0.73	$0.73	$0.73	$0.73	$0.73	$0.47
Crude Oil Hedges:													
Swap Volume (MMBbls)	0.23	0.92	0.05	0.05	0.05	0.05	0.18	0.00	0.00	0.00	0.00	0.00	0.00
Swap	$93.17	$94.55	$126.38	$126.71	$126.61	$126.51	$126.55	NM	NM	NM	NM	NM	NM
Collar Volume (MMBbls)	0.03	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Collar: High	$82.60	$82.93	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Collar: Low	$50.00	$50.00	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM

Since November 5, 2008, the company has entered into the following additional natural gas and crude oil swaps (also included in the tables above of derivative contracts as of December 15, 2008):

	Quarter Ending	Year Ending	Quarter Ending				Year Ending	Quarter Ending				Year Ending	Year Ending
	12/31/2008	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/2009	12/31/2009	3/31/2010	6/30/2010	9/30/2010	12/31/2010	12/31/2010	12/31/2011
Natural Gas Swaps:													
Volume (Bcf)	0.00	0.00	0.00	3.64	3.68	3.68	11.00	9.90	10.01	10.12	10.12	40.15	0.00
Swap	NM	NM	NM	$6.46	$6.76	$7.33	$6.85	$8.07	$7.38	$7.61	$8.03	$7.77	NM
Natural Gas Basis Swaps:													
Volume (Bcf)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.40	5.46	5.52	5.52	21.90	0.00
Swap	NM	NM	NM	NM	NM	NM	NM	$0.77	$0.77	$0.77	$0.77	$0.77	NM
Crude Oil Hedges:													
Swap Volume (MMBbls)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Swap	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Collar Volume (MMBbls)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Collar: High	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Collar: Low	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM

The company will host a conference call to discuss this release on Wednesday, December 17, 2008 at 9:00 am EST. The telephone number to access the conference call from within the U.S. is 866-783-2138 and from outside the U.S. is 857-350-1597. The passcode for the call is 66208736. An audio replay of the call will be available at noon EST on December 17, 2008 until 12:59 am EST on December 31, 2008. The number to access the conference call replay from within the U.S. is 888-286-8010 and from outside the U.S. is 617-801-6888. The passcode for the replay is 29421473.

A live audio webcast of the conference call will also be available via SandRidge's website, www.sandridgeenergy.com, under Investor Relations/Events. The webcast will be archived for replay on the company's website for 30 days.

For further information, please contact:

Dirk M. Van Doren
Chief Financial Officer
SandRidge Energy, Inc.
123 Robert S. Kerr Avenue
Oklahoma City, Oklahoma 73102-6406
(405) 429-5520

This press release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements express a belief, expectation or intention and are generally accompanied by words that convey projected future events or outcomes. The forward-looking statements include projections and estimates of future natural gas and oil production, pricing differentials, operating costs and capital spending, our development plans and estimates of future net cash flows. We have based these forward-looking statements on our current expectations and assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual results and developments will conform with our expectations and predictions is subject to a number of risks and uncertainties, including the volatility of natural gas and oil prices, our success in discovering, estimating, developing and replacing natural gas and oil reserves, the availability and terms of capital, the continued availability of credit under existing credit facilities, divestitures and other transactions involving our properties, the amount and timing of future development costs and other factors, many of which are beyond our control. We refer you to the discussion of risks under Risk Factors in the prospectus we filed with the Securities and Exchange Commission ("SEC") on September 17, 2008 and in Part II, Item 1A – Risk Factors of our Quarterly Report on Form 10-Q filed with the SEC on November 6, 2008. All of the forward-looking statements made in this press release are qualified by these cautionary statements. The actual results or developments anticipated may not be realized or, even if substantially realized, they may not have the expected consequences to or effects on our company or our business or operations. Such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. We undertake no obligation to update or revise any forward-looking statements.



SandRidge Energy, Inc. is a natural gas and crude oil company headquartered in Oklahoma City, Oklahoma with its principal focus on exploration and production. SandRidge and its subsidiaries also own and operate gas gathering and processing facilities and CO_2 treating and transportation facilities and conduct marketing and tertiary oil recovery operations. In addition, Lariat Services, Inc., a wholly-owned subsidiary of SandRidge, owns and operates a drilling rig and related oil field services business. SandRidge focuses its exploration and production activities in West Texas, the Cotton Valley Trend in East Texas, the Gulf Coast, the Mid-Continent, and the Gulf of Mexico. SandRidge's Internet address is www.sandridgeenergy.com.