SandRidge Energy, Inc. Announces Increase in Borrowing Base and Extension of Credit Facility

Borrowing Base Increased to $1.2 Billion from $775 Million

Initial Facility Limit of $900 Million Provides Ample Liquidity to Fund Ongoing Drilling Program

Existing Hedge Position Protects Majority of 2014 and 2015 Liquids Production

OKLAHOMA CITY, Oct. 22, 2014 /PRNewswire/ -- SandRidge Energy, Inc. (NYSE: SD) today announced that it has increased the borrowing base and extended the maturity of its senior credit facility. The new, five-year agreement with 27 lending institutions has a maximum facility size of $2 billion and an initial borrowing base of $1.2 billion. Due to its current liquidity position and hedging program, the company elected to initially set a facility limit of $900 million, which can be expanded up to the $1.2 billion borrowing base upon written request.

These terms represent a $425 million increase in borrowing base capacity, a $125 million increase in currently available liquidity, and a 25 basis point reduction in drawn borrowing costs. The facility matures on October 22, 2019. Bank of America N.A. acts as the Administrative Agent and is joined by six other lead banks: Barclays Bank PLC, Capital One, Royal Bank of Canada, Sun Trust Bank, Union Bank N.A., and Wells Fargo Bank N.A.

“The continued success in our Midcontinent drilling program comfortably supports an increase in our revolver borrowing limit from $775 million to $900 million, which is currently completely undrawn,” noted SandRidge CEO and President James Bennett. “We want to assure our shareholders SandRidge is uniquely protected against risks associated with declining crude oil prices plaguing the market today. The combination of our attractive hedge position of over 90% of remaining projected 2014 liquids volumes and the majority of planned liquids production in 2015 hedged at prices over $90 per barrel, as well as our focus on further reducing drilling costs per horizontal lateral well, provides protection to our cash flows and liquidity.”

Commodity Derivatives Update

SandRidge continues to successfully execute a disciplined hedging strategy to mitigate the effects of commodity price volatility on its cash flows and financial performance. This strategy aims to hedge a significant percentage of its anticipated liquids production at opportunistic prices over a 24-36 month timeframe.

SandRidge estimates over 90% of its anticipated liquids production for the fourth quarter of 2014, is hedged above $93/Bbl. Additionally, approximately 10.2 MMBbls of liquids production in 2015 is hedged above $90/Bbl.

SandRidge Energy Hedge Position

	4Q 2014	2015	2016
Oil (MMBbls):			
Swap Volume	1.11	5.59	1.46
Swap	$98.78	$92.44	$88.36
Three-way Collar Volume	2.07	4.58	2.56
Call Price	$100.00	$103.48	$100.85
Put Price	$90.21	$90.28	$90.00
Short Put Price	$70.00	$76.47	$83.13
Natural Gas (Bcf):			
Swap Volume	11.04	15.40	-
Swap	$4.31	$4.51	-
Collar Volume	0.24	1.01	-
Collar: High	$7.78	$8.55	-
Collar: Low	$4.00	$4.00	-

CONTACT:

Duane M. Grubert
EVP – Investor Relations and Strategy
SandRidge Energy, Inc.
123 Robert S. Kerr Avenue
Oklahoma City, OK 73102
+1 (405) 429-5515

Cautionary Note to Investors - 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, including, but not limited to, the information appearing under the heading "Operational Guidance." 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 drilling plans, oil and natural gas production, derivative transactions, operating costs, and capital spending. 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 oil and natural gas prices, our success in discovering, estimating, developing and replacing oil and natural gas reserves, actual decline curves and the actual effect of adding compression to natural gas wells, the availability and terms of capital, the ability of counterparties to transactions with us to meet their obligations, our timely execution of hedge transactions, credit conditions of global capital markets, changes in economic conditions, the amount and timing of future development costs, the availability and demand for alternative energy sources, regulatory changes, including those related to carbon dioxide and greenhouse gas emissions, and other factors, many of which are beyond our control. We refer you to the discussion of risk factors in Part I, Item 1A - "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2013. 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.

About SandRidge Energy, Inc.

SandRidge Energy, Inc. is an oil and natural gas 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, saltwater gathering and electrical infrastructure facilities and conduct marketing 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 the Mid-Continent region of the United States. SandRidge's internet address is www.sandridgeenergy.com.