SandRidge Energy, Inc. Files Form 8-K Noting Delay in Third Quarter Financial Reporting

OKLAHOMA CITY, Nov. 4, 2014 /PRNewswire/ -- SandRidge Energy, Inc. (the "Company") (NYSE: SD) today announced that as a result of a routine review by the Securities and Exchange Commission (the "SEC") of its Annual Report on Form 10-K, the Company currently anticipates that its Quarterly Report on Form 10-Q for the third quarter of 2014 will not be filed timely, but, rather, will be completed and filed as soon as possible following the resolution of the SEC's review.

As the Company has disclosed in prior filings, it is party to a 30-year agreement with Occidental Petroleum Corporation ("Occidental") for the delivery by the Company to Occidental of CO_2 and the removal of CO_2 from the Company's delivered natural gas production. After each calendar year, the Company is obligated to pay a penalty fee to the extent minimum required CO_2 delivery volumes are not met.

While the Company historically has accrued a liability for such annual penalty on an annual basis, the Staff (the "Staff") of the Division of Corporation Finance of the SEC recently has requested that the Company reassess that practice and consider whether the liability should be accrued quarterly. As a result of its ongoing dialogue with the Staff some or all of the liabilities associated with the agreement may be required to be shifted to one or more prior periods, which could materially affect the net income of such prior periods. Upon resolution of the matter with the Staff, the Company will restate, to the extent necessary, these financial statements to reflect such shifts. In addition, the Company is reassessing its previous conclusions regarding the effectiveness of internal control over financial reporting and disclosure controls and procedures as they relate to the accounting under the Agreement.

Accordingly, the Audit Committee of the Board of Directors of the Company has concluded that the consolidated financial statements included in the Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, as applicable, filed for periods ended December 31, 2012, March 31, 2013, June 30, 2013, September 30, 2013, December 31, 2013, March 31, 2014, and June 30, 2014 cannot be relied upon until resolution of this matter.

It is important to note, there is no impact on the Company's cash and cash equivalent balances reported in any of these periods.

SandRidge President and CEO, James Bennett, commented, "We are obviously disappointed in the distraction this news may bring at such an otherwise exciting time for SandRidge. We want to be clear that, while certainly unfortunate, at this time we believe the resolution of this matter will only affect the timing of accruals of our CO2 underdelivery penalty and does not have any material impact on the core sectors of our business. Our team is working diligently to resolve this matter with the SEC as quickly as possible, and we will still host our regularly scheduled conference call to update our investors on operating progress."

The Company intends to host its currently scheduled conference call at 8:00am CDT on November 6th, 2014, to discuss its third quarter 2014 operational update. The telephone number to access the conference call from within the U.S. is 877-201-0168 and from outside the U.S. is 647-788-4901. The passcode for the call is 15510588. An audio replay of the call will be available from November 6, 2014 until 11:59pm CST on December 5, 2014. The number to access the conference call replay from within the U.S. is 855-859-2056 and from outside the U.S. is 404-537-3406. The passcode for the replay is 15510588.

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

About SandRidge Energy

SandRidge Energy, Inc. (NYSE: SD) 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 disposal 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*.

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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, those related to the incurrence and recording of liabilities and the potential outcome of discussions with the Securities and Exchange Commission. These statements express a belief, expectation or intention and are generally accompanied by words that convey projected future events or outcomes. 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 outcome of discussions with the staff of the Securities and Exchange Commission and potential changes in our accounting methods, and 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.