

## **SandRidge sells east Texas natural gas holdings**

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OKLAHOMA CITY – SandRidge Energy Inc. has signed a deal to sell off its natural gas holdings in four east Texas counties for \$231 million to Houston-based NFR Energy.

The sale is part of SandRidge’s continued shift away from natural gas and toward more oil production because of lower natural gas prices.

The company plans to use the proceeds of the sale to fund part of its oil drilling operations.

“This asset sale is part of the capital plan to execute our three-year strategy of tripling EBITDA, doubling oil production, and lowering our debt ratio by the end of 2014 by continuing to develop high-rate-of-return oil wells in the Central Basin Platform and the Mississippian play in the Mid-Continent,” SandRidge CEO and Chairman Tom Ward said in a statement.

Ward had hinted at a possible sale of some of the company’s natural gas assets earlier this year to focus more on oil.

The sale includes about 25,000 net acres in Gregg, Harrison, Rusk and Panola counties with an average 2011 production of about 25 million cubic feet equivalent per day.

SandRidge anticipates the sale will close in November.

Shares in SandRidge closed at \$6.49 on the New York Stock Exchange on Tuesday, up 2.69 percent, or 17 cents.

SandRidge announced the sale after the markets had closed.