SANDRIDGE ENERGY INC
Form PREC14A
December 15, 2017
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement
Confidential, for Use of the Commission Only (as permitted by Rule 14-a6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to §240.14a-12

SANDRIDGE ENERGY, INC.
(Name of Registrant as Specified In Its Charter)

High River Limited Partnership
Hopper Investments LLC
Barberry Corp.
Icahn Partners Master Fund LP
Icahn Offshore LP
Icahn Partners LP
Icahn Onshore LP
Icahn Capital LP
IPH GP LLC
Icahn Enterprises Holdings L.P.
Icahn Enterprises G.P. Inc.
Beckton Corp.
Carl C. Icahn

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (check the appropriate box):

No fee required.
Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
Title of each class of securities to which transaction applies:

(1)

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

PRELIMINARY COPY SUBJECT TO COMPLETION

HIGH RIVER LIMITED PARTNERSHIP
December [_], 2017
Dear Fellow Stockholders:

The attached proxy statement and the enclosed GOLD proxy card are being furnished to you, the stockholders of SandRidge Energy, Inc., a Delaware corporation ("SandRidge"), in connection with the solicitation of proxies by High River Limited Partnership ("High River") and the other Participants (as defined herein) in this solicitation for use at the special meeting of stockholders of SandRidge and at any adjournments or postponements thereof (the "Special Meeting"), relating to the proposed acquisition (the "Merger") of Bonanza Creek Energy, Inc. ("Bonanza Creek") by SandRidge. In connection with the proposed Merger, SandRidge entered into an Agreement and Plan of Merger, dated as of November 14, 2017, with Bonanza Creek and Brook Merger Sub, Inc., a wholly owned subsidiary of SandRidge. Pursuant to the attached proxy statement, the Participants are soliciting proxies from holders of shares of SandRidge common stock to vote AGAINST the proposed issuance of shares of SandRidge common stock to Bonanza Creek stockholders in connection with the Merger (the "Share Issuance").

The Special Meeting will be held on [ ], 2018, at [ ] at [ ], local time.

The Participants recommend that you carefully consider the information contained in the attached proxy statement and then support our efforts by signing, dating and returning the enclosed GOLD proxy card today, or by voting against the Share Issuance via the internet or telephone. The attached proxy statement and the enclosed GOLD proxy card are first being furnished to stockholders on or about .

IF YOU HAVE ALREADY VOTED FOR MANAGEMENT'S PROPOSAL RELATING TO THE SHARE ISSUANCE, YOU HAVE EVERY RIGHT TO CHANGE YOUR VOTE BY SIGNING, DATING AND RETURNING A LATER DATED PROXY CARD OR BY VOTING VIA THE INTERNET OR TELEPHONE.

If you have any questions or require any assistance with your vote, please contact Harkins Kovler, LLC, which is assisting us, at their address, phone numbers or email address listed below.

Thank you for your support,

High River Limited Partnership

If you have any questions, require assistance in voting your GOLD proxy card or voting via the internet or telephone, or need additional copies of the Participants' proxy materials, please contact Harkins Kovler, LLC at the phone numbers listed below or by email.

Harkins Kovler, LLC
1 Rockefeller Plaza, 10th Floor
New York, NY 10020
Banks and Brokerage Firms Please Call Collect: (212) 468-5380
All Others Call Toll Free: (844) 218-8384
Email: sd@harkinskovler.com

PRELIMINARY COPY SUBJECT TO COMPLETION

SPECIAL MEETING OF STOCKHOLDERS OF

SANDRIDGE ENERGY, INC.
123 Robert S. Kerr Avenue
Oklahoma City, Oklahoma 73102

PROXY STATEMENT

OF

HIGH RIVER LIMITED PARTNERSHIP

PLEASE SIGN, DATE AND MAIL THE ENCLOSED GOLD PROXY CARD TODAY

High River Limited Partnership ("High River"), Hopper Investments LLC ("Hopper"), Barberry Corp. ("Barberry"), Icahn Partners Master Fund LP ("Icahn Master"), Icahn Offshore LP ("Icahn Offshore"), Icahn Partners LP ("Icahn Partners"), Icahn Onshore LP ("Icahn Onshore"), Icahn Capital LP ("Icahn Capital"), IPH GP LLC ("IPH"), Icahn Enterprises Holdings LP ("Icahn Holdings"), Icahn Enterprises G.P. Inc. ("Icahn Enterprises GP"), Beckton Corp. ("Beckton"), and Carl C. Icahn ("Mr. Icahn") (collectively, the "Participants" or "we") are significant stockholders of SandRidge Energy, Inc. ("SandRidge" or the "Company"). We are writing to you in connection with the proposed acquisition (the "Merger") of Bonanza Creek Energy, Inc. ("Bonanza Creek") by SandRidge. In connection with the proposed Merger, SandRidge entered into an Agreement and Plan of Merger (the "Merger Agreement"), dated as of November 14, 2017, with Bonanza Creek and Brook Merger Sub, Inc., a wholly owned subsidiary of SandRidge. The Board of Directors of SandRidge (the "Board") has scheduled a special meeting (the "Special Meeting") of stockholders for the purpose of considering and voting on approving the issuance of shares of SandRidge's common stock, par value $0.001 per share ("Shares", and such issuance of Shares in connection with the Merger, the "Share Issuance") to Bonanza Creek stockholders pursuant to the Merger Agreement. The Special Meeting is scheduled to be held on [ ], 2018, at [ ] at [ ], local time.

THIS PROXY SOLICITATION IS BEING MADE BY THE PARTICIPANTS AND NOT ON BEHALF OF THE BOARD OF DIRECTORS OF THE COMPANY.

For the reasons set forth in this Proxy Statement, we oppose the proposed Share Issuance because we believe that the Share Issuance is not in the best interests of SandRidge stockholders, and we are soliciting your proxy to vote AGAINST the following proposal:

Proposal	Our Recommendation
1. SandRidge's proposal to issue Shares to Bonanza Creek stockholders in connection with the Merger (the "Share Issuance Proposal").	AGAINST

SandRidge has set the record date for determining stockholders entitled to notice of and to vote at the Special Meeting as [ ] (the "Record Date"). Stockholders of record at the close of business on the Record Date will be entitled to vote at the Special Meeting, so long as such Shares remain outstanding on the date of the Special Meeting. At the close of business on the Record Date, there were [ ] Shares outstanding and entitled to vote at the Special Meeting according to the Company's joint proxy statement and registration statement filed with the U.S. Securities and Exchange Commission (the "SEC") on [ ]. The Shares are the only class of stock entitled to vote at the Special Meeting. As of the close of business on [ ], the Participants beneficially own

4,818,832 Shares, representing approximately 13.51% of the outstanding Shares of the Company as further described on Annex I. We intend to vote our Shares AGAINST the Share Issuance Proposal.

We urge you to sign, date and return the GOLD proxy card voting "AGAINST" SandRidge's Share Issuance Proposal.

This Proxy Statement and GOLD proxy card are first being mailed or given to the Company's stockholders on or about [ ].

If you have already voted using the Company's [COLOR] proxy card, you have every right to change your vote by completing and mailing the enclosed GOLD proxy card in the enclosed pre-paid envelope or by voting via Internet or by telephone by following the instructions on the GOLD proxy card to vote AGAINST the Share Issuance Proposal. Only the latest validly executed proxy that you submit will be counted; any proxy may be revoked at any time prior to its exercise at the Special Meeting by following the instructions under "Can I change my vote or revoke my proxy?" in the Questions and Answers section. Holders of Shares as of the Record Date are urged to submit a GOLD proxy card even if your shares were sold after the Record Date.

For instructions on how to vote and other information about the proxy materials, see the Questions and Answers section starting on page [ ].

WE URGE YOU TO PROMPTLY SIGN, DATE AND RETURN YOUR GOLD PROXY CARD.

If you have any questions or require any assistance with voting your shares, please contact our proxy solicitor, Harkins Kovler, LLC: Banks and Brokerage Firms Please Call Collect: (212) 468-5380; All Others Call Toll Free: (844) 218-8384; Email: sd@harkinskovler.com.

IMPORTANT

Your vote is important, no matter how few Shares you own. The Participants urge you to sign, date, and return the enclosed GOLD proxy card today to vote AGAINST the Share Issuance Proposal.

- If your Shares are registered in your own name, please sign and date the enclosed GOLD proxy card and return it to High River Limited Partnership, c/o Harkins Kovler, LLC, 1 Rockefeller Plaza, 10th Floor, New York, NY 10020, in the enclosed postage-paid envelope today.

- If your Shares are held in a brokerage account or bank, you are considered the beneficial owner of the Shares, and these proxy materials, together with a GOLD voting form, are being forwarded to you by your broker or bank. As a beneficial owner, you must instruct your broker, trustee or other representative how to vote. Your broker cannot vote your Shares on your behalf without your instructions.

- Depending upon your broker or custodian, you may be able to vote either by toll-free telephone or by the Internet. Please refer to the enclosed voting form for instructions on how to vote electronically. You may also vote by signing, dating and returning the enclosed voting form using the enclosed postage-paid return envelope.

Since only your latest dated proxy card will count, we urge you not to return any proxy card you receive from the Company.

If you have any questions, require assistance in voting your GOLD proxy card or voting via the internet or telephone, or need additional copies of the Participants' proxy materials, please contact Harkins Kovler, LLC at the phone numbers or email address listed below.

Harkins Kovler, LLC
1 Rockefeller Plaza, 10th Floor
New York, NY 10020
Banks and Brokerage Firms Please Call Collect: (212) 468-5380
All Others Call Toll Free: (844) 218-8384
Email: sd@harkinskovler.com

BACKGROUND OF THE SOLICITATION

Between October 18, 2017 and November 22, 2017, the Participants purchased an aggregate of 4,818,832 Shares in open market purchases (as more fully described on Annex I hereto). On November 22, 2017, the Participants filed a Schedule 13D with the SEC (the "Initial Schedule 13D" and, as amended from time to time, the "Schedule 13D") disclosing that they beneficially owned, in the aggregate, 4,818,832 Shares, representing approximately 13.51% of SandRidge's outstanding Shares (based upon the 35,665,907 Shares outstanding as of November 14, 2017 as disclosed the Merger Agreement).

On November 14, 2017, the Company entered into the Merger Agreement with Bonanza Creek, pursuant to which a wholly owned subsidiary of SandRidge formed for the purpose of effecting the Merger would be merged with and into Bonanza Creek, and Bonanza Creek would be the surviving corporation in the Merger.

On November 22, 2017, in the Initial Schedule 13D filing, the Participants disclosed their strong opposition to the proposed Merger and their intention to vote against the Share Issuance. In the Initial Schedule 13D, the Participants also disclosed their intention to meet or have discussions with the Board and management regarding the proposed Merger and their rationale for entering into the transaction.

On November 26, 2017, SandRidge adopted the "Short-Term Shareholder Rights Plan," which we sometimes refer to (using the more common name for such instruments) as the "Poison Pill."

On November 30, 2017, the Participants delivered a letter to the Board that reiterated their strong opposition to the proposed Merger because of its dilutive impact on the Company's stockholders and the Participants' view that the purchase price significantly overvalued Bonanza Creek and that the transaction would therefore destroy SandRidge stockholder value. In the letter, the Participants also stated their vehement objection to the adoption of the Poison Pill, which they believed could chill their ability to communicate with other stockholders of the Company regarding the Merger and the Share Issuance and contained provisions that were overly-broad, ambiguous and, potentially, unenforceable. The Participants also requested that the Board respond to several questions regarding the parameters of the Poison Pill, including as to their ability, without triggering the Poison Pill, to (i) discuss their opposition to the Merger with other SandRidge stockholders, (ii) solicit proxies from other stockholders of the Company to vote against the Share Issuance, (iii) seek to call, contact other stockholders of SandRidge about calling, or join other stockholders of SandRidge in calling, a special meeting of stockholders of SandRidge, and (iv) solicit proxies to remove members of the Board.

On December 1, 2017, the Participants delivered a demand, pursuant to Section 220 of the Delaware General Corporation Law, to SandRidge requesting access to certain of its books and records, including books and records relating to senior management compensation, the Share Issuance, the Merger, and the Poison Pill.

On December 8, 2017, counsel to SandRidge responded in two separate communications to the November 30 and December 1 letters from the Participants. The Participants believed that the response to their November 30 letter did not provide the requested clarity on the terms of the Poison Pill. Accordingly, on December 9, 2017, counsel to the Participants responded to the December 8 letter from counsel to SandRidge seeking further clarification regarding the terms and application of the Poison Pill. In its response to the December 1 letter, counsel to SandRidge informed the Participants that although the Company did not believe the Participants were entitled to inspect the requested books and records under Delaware law, the Company would voluntarily make certain documents available subject to the execution of a mutually acceptable confidentiality agreement.

On December 11, 2017, SandRidge and Bonanza Creek filed a preliminary joint proxy statement and registration statement on Form S-4 with the SEC (the "SandRidge Proxy Statement") seeking, among other things, SandRidge stockholder approval of the Share Issuance in accordance with the requirements of the rules of the New York Stock Exchange ("NYSE").

On December 12, 2017, counsel to SandRidge responded to the December 9 letter from counsel to the Participants. The response letter confirmed that, subject to compliance by the Participants with certain laws and the Company's constituent documents, none of the actions outlined in the Participants' November 30 letter would trigger the Poison Pill. Based upon the assurances contained in the December 12 letter from counsel to SandRidge, the Participants understand that under the Board's interpretation of the Poison Pill, the rights would not be triggered as a result of, among other things, discussions between the Participants and other stockholders regarding opposition to the proposed Merger and Share Issuance, or the solicitation of stockholders to vote against, or the granting by any stockholder of a proxy in respect of, the Share Issuance.

On December 15, 2017, the Participants filed this preliminary proxy statement with the SEC soliciting your proxy to vote AGAINST the Share Issuance Proposal.

We recommend that you demonstrate your opposition to the Share Issuance and send a message to the Board that the proposed Share Issuance is not in the best interest of SandRidge stockholders by signing, dating and returning the enclosed GOLD proxy card as soon as possible. You may also vote via the internet or by telephone at any time before [ ] on [ ] by following the instructions on your GOLD voting information card.

PROPOSAL 1: SHARE ISSUANCE PROPOSAL

You are being asked by SandRidge to approve the issuance of Shares to Bonanza Creek stockholders in connection with the Merger. The rules of the NYSE require SandRidge to obtain stockholder approval of the Share Issuance. For the reasons discussed below, we oppose the Share Issuance Proposal. To that end, we are soliciting your proxy to vote AGAINST the Share Issuance Proposal.

We recommend that you demonstrate your opposition to the Share Issuance and send a message to the Board that the proposed Share Issuance is not in the best interest of SandRidge stockholders by signing, dating and returning the enclosed GOLD proxy card as soon as possible. You may also vote via the internet or by telephone at any time before [ ] on [ ] by following the instructions on your GOLD voting information card.

Reasons to Vote Against the Share Issuance Proposal

The Participants believe that SandRidge has significantly overvalued Bonanza Creek in the proposed Merger, in particular based on relative valuation metrics of the two companies. As illustrated in the chart below, the daily total production, daily oil production, total proved reserves, proved oil reserves, PV10 and earnings before interest, taxes, depreciation and amortization ("EBITDA") of SandRidge are significantly higher than the corresponding amounts for Bonanza Creek. However, notwithstanding these metrics, the Board determined to ascribe an enterprise value to Bonanza Creek that is in excess of $170 million higher than the enterprise value of SandRidge based on the closing price of a Share on the day prior to the public announcement of the Merger Agreement.

	SandRidge	Bonanza
Daily Total Production (Q3 '17)	38,800 BOE*	15,800 BOE
Daily Oil Production (Q3 '17)	10,400 BOE	8,300 BOE
Total Proved Reserves**	164 million BOE	91 million BOE
Proved Oil Reserves**	53 million BBLS***	50 million BBLS
PV10**	$438 million	$277 million
EBITDA (trailing twelve months ended September 30, 2017)	$215 million	$81 million
Valuation:		
Price per "Flowing Barrel"****	$14,485/BOEPD*****	$46,508/BOEPD
Price per BOE (TEV/Total Proved Reserves)	$3.43 per BOE	$8.07 per BOE
TEV/EBITDA (trailing twelve months ended September 30, 2017)	2.6x	9.1x

* "Barrel of Oil Equivalent." This is a commonly used industry standard that combines oil, natural gas, and NGL's based on the amount of energy they contain. Under this methodology, 6,000 cubic feet (or "6 mcf") of natural gas equals one barrel of oil.

** Reserve & PV10 estimates as of December 31, 2016 using SEC Pricing. Source: SandRidge filings.

*** "BBL" and "BBLS" means barrel and barrels, respectively.

**** This is a commonly used industry measure that divides total enterprise value ("TEV") by daily production. TEV is defined as market value plus debt less cash. For Bonanza the TEV is based on the most recent approximate transaction value as set forth in the SandRidge Proxy Statement. For SandRidge, the TEV is based on SandRidge's closing price as of the date before the public announcement of the Merger Agreement.

***** "BOEPD" means barrel of oil per day.

The Participants have significant concerns regarding the Board's determination to not only agree to acquire Bonanza Creek in an overpriced transaction but to finance a substantial portion of the purchase price with SandRidge stock, resulting in significant dilution to SandRidge stockholders. According to the SandRidge Proxy Statement, the maximum number of Shares issuable by SandRidge upon closing of the Merger is 19,898,072, representing approximately 35.8% of the outstanding Shares after giving effect to the Share Issuance. The Participants believe that

SandRidge stock is trading at a substantial discount to intrinsic value – for example, using the EBITDA and price per flowing barrel multiplies implied by the purchase price payable in the Merger, SandRidge should be trading at approximately $57.35 and $53.26 per Share, respectively, which represents a 211% and 189% premium to closing price on the day before the public announcement of the Merger Agreement. Accordingly, the Participants do not support and urge their fellow stockholders not to support this highly dilutive transaction that is being financed with a substantial portion of significantly undervalued SandRidge stock.

The cash portion of the purchase price payable pursuant to the Merger Agreement will be financed through the use of substantially all of the cash of SandRidge and a draw of $383 million under a new secured financing facility (in each case, according to the investor presentation filed by SandRidge with the SEC on December 13, 2017 (the "Investor Presentation")). The Participants do not believe that this is a prudent allocation of the capital resources of the Company. The Participants also have concerns that the proposed Merger and significant amount of debt to be incurred in connection with the transaction (upwards of $400 million according to the Investor Presentation) is similar to the strategy previously pursued by the Company, which ultimately resulted in a bankruptcy filing in May 2016. Rather than pursuing highly dilutive transactions that place substantial leverage on the Company, the Participants strongly prefer that management maintain its previously stated objectives of protecting the Company's balance sheet, reducing operating costs and developing existing assets.

The Participants also believe that there is substantial misalignment of interests between management of SandRidge and its stockholders. As reflected in the charts below, the Participants believe that management compensation, in particular the compensation of the chief executive officer of the Company, is significantly disproportionate to the size and scale of the Company and its operations and compensation paid to executives of peer companies. The Participants are therefore concerned that management has an incentive to support and seek out transactions, such as the proposed Merger, that allow them to maintain their positions at a company with increased size, which may more easily justify the Company's compensation practices, notwithstanding that such transactions are not in the best interests of the stockholders of the Company.

Accordingly, the Participants recommend that you vote AGAINST the Share Issuance Proposal. Other than soliciting your vote AGAINST the Share Issuance Proposal, we currently do not intend to make any other proposals in person at the Special Meeting regarding the Merger, and this Proxy Statement does not include any other proposals to be voted upon at the Special Meeting, although we reserve the right to make additional proposals at a later meeting of stockholders or through a separate consent solicitation.

We urge stockholders to vote AGAINST the Share Issuance Proposal on the GOLD proxy card.

Consequences of Defeating the Share Issuance Proposal

The closing of the Merger is expressly conditioned on the approval of the Share Issuance by stockholders of the Company. If, after final adjournment of the Special Meeting at which a vote of SandRidge stockholders has been taken in accordance with the Merger Agreement, the stockholders of SandRidge fail to approve the Share Issuance, then the conditions to the closing of the Merger will not be satisfied and either SandRidge or Bonanza Creek may terminate the Merger Agreement. In the event that the Merger Agreement is terminated as a result of the failure to obtain the requisite vote of SandRidge's stockholders, unless Bonanza Creek is otherwise entitled to the termination fee under the Merger Agreement, SandRidge will be required to pay Bonanza Creek up to approximately $3.7 million in expense reimbursement.

In addition, in certain cases pursuant to the terms of the Merger Agreement, SandRidge will be required to pay Bonanza Creek a termination fee of approximately $26.1 million (less any amounts previously paid to Bonanza Creek):

- if SandRidge effects an adverse recommendation change or commits a material breach of its non-solicitation obligations and Bonanza Creek terminates the Merger Agreement; or
- (i) an alternative proposal is publicly submitted, publicly proposed, publicly disclosed or otherwise communicated to the Board and not withdrawn at the time of the termination of the Merger Agreement, (ii) the Merger Agreement is terminated because SandRidge's stockholders fail to approve the Share Issuance, or because of the occurrence of the outside date or Bonanza Creek terminates due to SandRidge's terminable breach and (iii) within twelve months of the termination of the Merger Agreement, SandRidge enters into a definitive agreement with a third party with respect to or consummates a transaction that is an alternative proposal relating to 50% or more of SandRidge's assets or stock with a third party (provided that if the Merger Agreement is terminated because of the occurrence of the outside date, the termination fee shall only be approximately $13.0 million).

Vote Required

According to the SandRidge Proxy Statement, the approval of the Share Issuance Proposal requires the affirmative vote of a majority of the Shares present in person or represented by proxy at the Special Meeting and entitled to vote on the Share Issuance Proposal, assuming a quorum is present. Any abstention by a SandRidge stockholder will have the same effect as a vote against the Share Issuance Proposal. The failure of any SandRidge stockholder to submit a vote (e.g., by failing to submit a proxy or to appear in person) will not be counted in determining the votes cast in connection with this proposal and therefore will have no effect on the outcome of the Share Issuance Proposal. For these reasons, among others, we urge stockholders to vote "AGAINST" the Share Issuance Proposal to make sure their voices are heard.

We urge you to sign, date and return our GOLD proxy card. WE URGE YOU NOT TO SIGN ANY [COLOR] PROXY CARD SENT TO YOU BY THE COMPANY. If you have already voted using the Company's [COLOR] proxy card, you have every right to change your vote by completing and mailing the enclosed GOLD proxy card in the enclosed pre-paid envelope or by voting via Internet or by telephone by following the instructions on the GOLD proxy card. Only the latest validly executed proxy that you submit will be counted; any proxy may be revoked at any time prior to its exercise at the Special Meeting by following the instructions under "Can I change my vote or revoke my proxy?" If you have any questions or require any assistance with voting your shares, please contact our proxy solicitor, Harkins Kovler, LLC: Banks and Brokerage Firms Please Call Collect: (212) 468-5380; All Others Call Toll Free: (844) 218-8384; Email: sd@harkinskovler.com.

We Recommend a Vote AGAINST the Share Issuance Proposal on the GOLD proxy card.

PROXY INFORMATION

Voting and Proxy Procedures

Only stockholders of record on the Record Date will be entitled to notice of and to vote at the Special Meeting. Stockholders who sell their Shares before the Record Date (or acquire them without voting rights after the Record Date) may not vote such Shares. Stockholders of record on the Record Date will retain their voting rights in connection with the Special Meeting even if they sell their Shares after the Record Date. If you hold your Shares in the name of one or more brokerage firms, banks or nominees, only they can vote your Shares and only upon receipt of your specific instructions. Accordingly, you should contact the person responsible for your account and give instructions to them to sign and return a GOLD proxy card representing your Shares to vote AGAINST the Share Issuance Proposal.

Shares represented by properly executed GOLD proxy cards will be voted at the Special Meeting as marked and, in the absence of specific instructions, will be voted AGAINST the Share Issuance Proposal.

Quorum; Broker Non-Votes; Discretionary Voting

A quorum is the minimum number of Shares that must be represented at a duly called meeting of stockholders in person or by proxy in order to legally conduct business at the meeting. According to the SandRidge Proxy Statement, a quorum requires the presence, in person or represented by proxy, of holders of a majority of the voting power of the outstanding shares of SandRidge stock entitled to vote at the Special Meeting. For purposes of determining whether there is a quorum, all Shares that are present, including abstentions, will count towards the quorum.

According to the SandRidge Proxy Statement, any abstention by a SandRidge stockholder will have the same effect as a vote against the Share Issuance Proposal. The failure of any SandRidge stockholder to submit a vote (e.g., by failing to submit a proxy or to appear in person) will not be counted in determining the votes cast in connection with this proposal and therefore will have no effect on the outcome of the Share Issuance Proposal.

If you are a stockholder of record, you must deliver your vote by mail or attend the Special Meeting in person and vote in order to be counted in the determination of a quorum.

If your Shares are held in the name of your broker, a bank or other nominee, that party will give you instructions for voting your Shares. If you do not give your voting instructions to your brokerage firm, bank or other nominee it will not be allowed to vote your Shares with respect to the Share Issuance Proposal, or any additional proposals which may be presented at the Special Meeting. In the absence of voting instructions, Shares subject to such so-called broker non-votes will not be counted as voted on the Share Issuance Proposal, or any additional proposals which may be presented at the Special Meeting, and so will have no effect on the vote, but will be counted as present for the purpose of determining the existence of a quorum. Accordingly, we encourage you to vote promptly, even if you plan to attend the Special Meeting.

Revocation of Proxies

Stockholders of the Company may revoke their proxies at any time prior to exercise by attending the Special Meeting and voting in person (although attendance at the Special Meeting will not in and of itself constitute revocation of a proxy), by voting again by telephone or through the Internet, by delivering a written notice of revocation, or by signing and delivering a subsequently dated proxy which is properly completed. The revocation may be delivered either to High River in care of Harkins Kovler, LLC at the address set forth on the back cover of this Proxy Statement or to the Company at 123 Robert S. Kerr Avenue Oklahoma City, Oklahoma 73102 or any other address provided by the Company. Although a revocation is effective if delivered to the Company, we request that either the original or photostatic copies of all revocations be mailed to High River in care of Harkins Kovler, LLC at the address set forth on the back cover of this Proxy Statement so that we will be aware of all revocations and can more accurately determine if and when proxies have been received from the holders of record on the Record Date of a majority of the outstanding Shares.

Solicitation of Proxies

The solicitation of proxies pursuant to this Proxy Statement is being made by the Participants. Proxies may be solicited by mail, facsimile, telephone, telegraph, Internet, in person and by advertisements.

The Participants have retained Harkins Kovler, LLC to provide solicitation and advisory services in connection with this solicitation. Harkins Kovler, LLC will be paid a fee not to exceed $[ ] based upon the campaign services provided. In addition, the Participants will reimburse Harkins Kovler, LLC for its reasonable out-of-pocket expenses and will indemnify Harkins Kovler, LLC against certain liabilities and expenses, including certain liabilities under the federal securities laws. Harkins Kovler, LLC will solicit proxies from individuals, brokers, banks, bank nominees and other institutional holders. It is anticipated that Harkins Kovler, LLC will employ up to persons to solicit the Company's stockholders as part of this solicitation. Harkins Kovler, LLC does not believe that any of its directors, officers, employees, affiliates or controlling persons, if any, is a "participant" in this proxy solicitation. The costs related to this proxy solicitation will be borne by the Participants. Costs of this Proxy Solicitation are currently estimated to be approximately $ [ ]. The actual amount could be higher or lower depending on the facts and circumstances arising in connection with the solicitation. We estimate that through the date hereof, the Participants' expenses in connection with this Proxy Solicitation are approximately $[ ]. If successful, the Participants may seek reimbursement of these costs from the Company.

In the event that the Participants decide to seek reimbursement of their expenses, the Participants do not intend to submit the matter to a vote of the Company's stockholders. The Board would be required to evaluate the requested reimbursement consistent with its fiduciary duties to the Company and its stockholders. Costs related to the solicitation of proxies include expenditures for attorneys, public relations and other advisors, solicitors, printing, advertising, postage, transportation and other costs incidental to the solicitation.

Other Proposals

We are not aware of any other matters to be considered by SandRidge stockholders at the Special Meeting.

QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS AND THE SPECIAL MEETING

Q: Who is entitled to vote?

A: Only holders of voting stock at the close of business on the Record Date, [ ], 2018, are entitled to notice of and to vote at the Special Meeting. Stockholders who sold Shares before the Record Date (or acquire them without voting rights after the Record Date) may not vote such Shares. Stockholders of record on the Record Date will retain their voting rights in connection with the Special Meeting even if they sell such Shares after the Record Date (unless they also transfer their voting rights).

Q: How should I vote on the Share Issuance Proposal?

A: We recommend that you vote your shares on the GOLD proxy card as follows:
"AGAINST" the Share Issuance Proposal (Proposal 1)

Q: When and where is the Special Meeting?

A: The Special Meeting will be on [ ], 2018, at [ ], at [ ], local time.

Q: How important is my vote?

A: Your vote "AGAINST" the Share Issuance Proposal presented at the Special Meeting is very important, and you are encouraged to submit a GOLD proxy card as soon as possible.

Approval of the Share Issuance Proposal requires the affirmative vote of a majority of the Shares present in person or represented by proxy at the Special Meeting and entitled to vote on the Share Issuance Proposal, assuming a quorum is present. Any abstention by a SandRidge stockholder will have the same effect as a vote against the Share Issuance Proposal. The failure of any SandRidge stockholder to submit a vote (e.g., by failing to submit a proxy or to appear in person) will not be counted in determining the votes cast in connection with this proposal and therefore will have no effect on the outcome of the Share Issuance Proposal.

Q: What happens if the Merger is not completed?

A: If the Share Issuance is not approved by SandRidge's stockholders or the Merger is not completed for any other reason, SandRidge will not acquire Bonanza Creek and therefore will not issue any Shares or pay any cash consideration to Bonanza Creek's stockholders. Under specified circumstances, Bonanza Creek and/or SandRidge may be required to reimburse the other party for the expenses it incurred in connection with the Merger Agreement or pay a termination fee upon termination of the Merger Agreement. For example, if, after final adjournment of the special meeting of stockholders of SandRidge at which a vote of its stockholders has been taken in accordance with the Merger Agreement, the stockholders of SandRidge fail to approve the Share Issuance, then the Merger Agreement may be terminated and SandRidge will be required to pay Bonanza Creek up to approximately $3.7 million in expense reimbursement.

Q: How do I vote my shares?

A: Shares held in record name. If your Shares are registered in your own name, please vote today by signing, dating and returning the enclosed GOLD proxy card in the postage-paid envelope provided. Execution and delivery of a proxy by a record holder of Shares will be presumed to be a proxy with respect to all Shares held by such record holder unless the proxy specifies otherwise.

Shares beneficially owned or held in "street" name. If you hold your Shares in "street" name with a broker, bank, dealer, trust company or other nominee, only that nominee can exercise the right to vote with respect to the Shares that you beneficially own through such nominee and only upon receipt of your specific instructions. Accordingly, it is critical that you promptly give instructions to your broker, bank, dealer, trust company or other nominee to vote AGAINST the Share Issuance Proposal. Please follow the instructions to vote provided on the enclosed GOLD proxy card. If your broker, bank, dealer, trust company, or other nominee provides for proxy instructions to be delivered to them by telephone or Internet, instructions will be included on the enclosed GOLD proxy card. We urge you to confirm in writing your instructions to the person responsible for your account and provide a copy of those instructions by emailing them to sd@harkinskovler.com or mailing them to High River Limited Partnership, c/o Harkins Kovler, LLC, 1 Rockefeller Plaza, 10th Floor, New York, NY 10020, so that we will be aware of all instructions given and can attempt to ensure that such instructions are followed.

Note: Shares represented by properly executed GOLD proxy cards will be voted at the Special Meeting as marked and, in the absence of specific instructions, "AGAINST" the Share Issuance Proposal.

Q: How many shares must be present to hold the Special Meeting?

A: According to the SandRidge Proxy Statement, a quorum at the Special Meeting requires the presence, in person or represented by proxy, of holders of a majority of the voting power of the outstanding shares of SandRidge stock entitled to vote at the Special Meeting.

Q:What are "broker non-votes" and what effect do they have on the Share Issuance Proposal?

A: A "broker non-vote" results when banks, brokers and other nominees return a valid proxy but do not vote on a particular proposal because they do not have discretionary authority to vote on the matter and have not received specific voting instructions from the beneficial owner of such shares. If Shares are held in the name of a bank, brokerage firm or other nominee, and the bank, brokerage firm or other nominee has not received voting instructions from the beneficial owner of the Shares with respect to that proposal, the bank, brokerage firm or other nominee cannot vote the Shares on that proposal unless it is a "routine" matter. Under the NYSE rules, the Share Issuance Proposal is not a "routine" proposal at the Special Meeting. Accordingly, no bank, brokerage firm or other nominee will be permitted to vote your Shares at the Special Meeting without receiving instructions. Failure to instruct your bank, brokerage firm or other nominee on how to vote your Shares will have no effect on the outcome of the Share Issuance Proposal.

Q: What should I do if I receive a proxy card from the Company?

A: You may have received proxy solicitation materials from SandRidge, including a merger proxy statement and registration statement and [COLOR] proxy card. We are not responsible for the accuracy of any information contained in any proxy solicitation materials used by the Company or any other statements that it may otherwise make.

We recommend that you disregard any proxy card or solicitation materials that may be sent to you by the Company. If you have already voted using the Company's [COLOR] proxy card, you have every right to change your vote by completing and mailing the enclosed GOLD proxy card in the enclosed pre-paid envelope or by voting via Internet or by telephone by following the instructions on the GOLD proxy card. Only the latest validly executed proxy that you submit will be counted; any proxy may be revoked at any time prior to its exercise at the Special Meeting by following the instructions below under "Can I change my vote or revoke my proxy?" If you have any questions or require any assistance with voting your Shares, please contact our proxy solicitor, Harkins Kovler, LLC, 1 Rockefeller Plaza, 10th Floor, New York, NY 10020 - Banks and Brokerage Firms Please Call Collect: (212) 468-5380; All Others Call Toll Free: (844) 218-8384; Email: sd@harkinskovler.com.

Q: Can I change my vote or revoke my proxy?

A: If you are the stockholder of record, you may change your proxy instructions or revoke your proxy at any time before your proxy is voted at the Special Meeting. Proxies may be revoked by any of the following actions:

- signing, dating and returning the enclosed GOLD proxy card (the latest dated proxy is the only one that counts);
- delivering a written revocation or a later dated proxy for the Special Meeting to High River Limited Partnership, c/o Harkins Kovler, LLC, 1 Rockefeller Plaza, 10th Floor, New York, NY 10020 or to the secretary of the Company; or
- attending the Special Meeting and voting in person (although attendance at the Special Meeting will not, by itself, revoke a proxy).

If your Shares are held in a brokerage account by a broker, bank or other nominee, you should follow the instructions provided by your broker, bank or other nominee to have your Shares voted. If you attend the Special Meeting and you beneficially own Shares but are not the record owner, your mere attendance at the Special Meeting WILL NOT be sufficient to revoke your prior given proxy card. You must have written authority from the record owner to vote your Shares held in its name at the meeting. If you have any questions or require any assistance, contact our proxy solicitor, Harkins Kovler, LLC - Banks and Brokerage Firms Please Call Collect: (212) 468-5380; All Others Call Toll Free: (844) 218-8384; Email: sd@harkinskovler.

IF YOU HAVE ALREADY VOTED USING THE COMPANY'S [COLOR] PROXY CARD, WE URGE YOU TO REVOKE IT BY FOLLOWING THE INSTRUCTIONS ABOVE. Although a revocation is effective if delivered to the Company, we request that either the original or a copy of any revocation be mailed to High River Limited Partnership, c/o Harkins Kovler, LLC, 1 Rockefeller Plaza, 10th Floor, New York, NY 10020.

Q: Who is making this proxy solicitation and who is paying for it?

A: The solicitation of proxies pursuant to this proxy solicitation is being made by the Participants. Proxies may be solicited by mail, facsimile, telephone, telegraph, Internet, in person and by advertisements. The Participants will solicit proxies from individuals, brokers, banks, bank nominees and other institutional holders. The Participants have requested banks, brokerage houses and other custodians, nominees and fiduciaries to forward all solicitation materials to the beneficial owners of the Shares they hold of record. The Participants will reimburse these record holders for their reasonable out-of-pocket expenses in so doing. It is anticipated that certain regular employees of the Participants will also participate in the solicitation of proxies. Such employees will receive no additional consideration if they assist in the solicitation of proxies.

The Participants have retained Harkins Kovler, LLC to provide solicitation and advisory services in connection with this solicitation. Harkins Kovler, LLC will be paid a fee not to exceed $[ ] based upon the campaign services provided. In addition, the Participants will reimburse Harkins Kovler, LLC for its reasonable out-of-pocket expenses and will indemnify Harkins Kovler, LLC against certain liabilities and expenses, including certain liabilities under the federal securities laws. Harkins Kovler, LLC will solicit proxies from individuals, brokers, banks, bank nominees and other institutional holders. It is anticipated that Harkins Kovler, LLC will employ up to persons to solicit the Company's stockholders as part of this solicitation. Harkins Kovler, LLC does not believe that any of its directors, officers, employees, affiliates or controlling persons, if any, is a "participant" in this proxy solicitation. The costs related to this proxy solicitation will be borne by the Participants. Costs of this proxy solicitation are currently estimated to be approximately $[ ]. The actual amount could be higher or lower depending on the facts and circumstances arising in connection with the solicitation. We estimate that through the date hereof, the Participants' expenses in connection with this proxy solicitation are approximately $[ ]. If successful, the Participants may seek reimbursement of these costs from the Company. In the event that the Participants decide to seek reimbursement of its expenses, the Participants do not intend to submit the matter to a vote of the Company's stockholders. The Board would be required to evaluate the requested reimbursement consistent with its fiduciary duties to the Company and its stockholders. Costs related to the solicitation of proxies include expenditures for attorneys, public relations and other advisors, solicitors, printing, advertising, postage, transportation and other costs incidental to the solicitation.

Q: Where can I find additional information concerning SandRidge and the Merger?

A: Pursuant to Rule 14a-5(c) promulgated under the Exchange Act, we have omitted from this Proxy Statement certain disclosure required by applicable law to be included in the SandRidge Proxy Statement in connection with the Special Meeting, including:

- a summary term sheet of the Merger;
- the terms of the Merger Agreement and the Merger and related transactions;
- any reports, opinions and/or appraisals received by SandRidge in connection with the Merger;
- past contacts, transactions and negotiations by and among the parties to the Merger and their respective affiliates and advisors;
- federal and state regulatory requirements that must be complied with and approvals that must be obtained in connection with the Merger;
- security ownership of certain beneficial owners and management of SandRidge, including 5% owners;
- the trading prices of SandRidge stock over time;
- the compensation paid and payable to SandRidge's directors and executive officers;
- the requirements for the submission of stockholder proposals to be considered for inclusion in SandRidge's proxy statement for the 2018 annual meeting of stockholders; and
- appraisal rights and dissenters' rights.

We take no responsibility for the accuracy or completeness of information contained in the SandRidge Proxy Statement. Except as otherwise noted herein, the information in this Proxy Statement concerning the Company has been taken from or is based upon documents and records on file with the SEC and other publicly available information.