

SANDRIDGE ENERGY INC
Form DEF 14A
April 25, 2011
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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 (Amendment No.)

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 14a-6(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)

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

Payment of Filing Fee (Check the appropriate box):

x No fee required.

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To be held on June 3, 2011

To the Stockholders of SandRidge Energy, Inc.:

The 2011 Annual Meeting of Stockholders (Annual Meeting) of SandRidge Energy, Inc., a Delaware corporation (the Company or SandRidge), will be held in the SandRidge Auditorium at our corporate offices located at 123 Robert S. Kerr Avenue, Oklahoma City, Oklahoma 73102, on June 3, 2011, at 9:00 a.m., central time. At the Annual Meeting, stockholders will be asked to:

- (1) Elect two Class II directors to serve on our Board of Directors for a three-year term;
- (2) Ratify the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011;
- (3) Approve an amendment to the SandRidge Energy, Inc. 2009 Incentive Plan to increase the number of shares of Company common stock issuable under the plan;
- (4) Approve, in a non-binding vote, the compensation provided to the Company's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K under the Securities Exchange Act of 1934;
- (5) Recommend, in a non-binding vote, whether a non-binding stockholder vote to approve the compensation of the Company's named executive officers should occur every one, two or three years; and
- (6) Transact such other business as may properly come before the Annual Meeting or any adjournments thereof.

The meeting may be adjourned from time to time. At any reconvened meeting, action with respect to the matters specified in this notice may be taken without further notice to stockholders, unless required by applicable law or the Bylaws of the Company.

Stockholders of record of shares of our common stock at the close of business on April 6, 2011 are entitled to notice of, and to vote at, the Annual Meeting. A list of such stockholders will be available at the meeting and at the Company's corporate office, 123 Robert S. Kerr Avenue, Oklahoma City, Oklahoma 73102, for the ten days prior to the meeting.

All stockholders are cordially invited to attend the meeting in person. Your vote is very important. Therefore, whether or not you expect to attend the meeting, please vote as described on pages 1 and 2 of the Proxy Statement. Voting in any of the ways described will not prevent you from attending the Annual Meeting.

By Order of the Board of Directors,

Philip T. Warman, Corporate Secretary

Oklahoma City, Oklahoma

April 25, 2011

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Please sign, date and promptly return the enclosed proxy card in the envelope provided, or grant a proxy and give voting instructions by telephone or the Internet, so that you may be represented at the meeting. Instructions are on your proxy card or on the voting instruction card provided by your broker.

Brokers cannot vote for Items 1, 3, 4 or 5 without your instructions.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on June 3, 2011:

This Proxy Statement, along with our Annual Report to Stockholders for the fiscal year ended December 31, 2010 are available free of charge at <https://www.proxyvote.com>. Directions for attending the Annual Meeting in person are available on our website at <http://www.sandridgeenergy.com> under Contact.

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SANDRIDGE ENERGY, INC.

123 Robert S. Kerr Avenue

Oklahoma City, Oklahoma 73102

(405) 429-5500

PROXY STATEMENT

SOLICITATION AND REVOCABILITY OF PROXIES

The enclosed proxy is solicited by the Board of Directors of SandRidge Energy, Inc. for use at the 2011 Annual Meeting of Stockholders (Annual Meeting) to be held in the SandRidge Auditorium at our corporate offices located at 123 Robert S. Kerr Avenue, Oklahoma City, Oklahoma 73102, on June 3, 2011, at 9:00 a.m., central time or at any adjournment thereof. In this Proxy Statement, unless the context requires otherwise, when we refer to we, us, our, SandRidge or the Company, we are describing SandRidge Energy, Inc., a Delaware corporation, and when we refer to the Board, we are describing the Company's Board of Directors. We refer to holders of common stock as of the record date as stockholders. Proxies are solicited to give all stockholders an opportunity to vote on matters properly presented at the Annual Meeting.

Our Annual Report to Stockholders for the year ended December 31, 2010, including audited financial statements, accompanies this Proxy Statement. The Annual Report to Stockholders is not incorporated by reference into this Proxy Statement or deemed to be a part of the materials used for the solicitation of proxies. This Proxy Statement along with the Annual Report to Stockholders are first being mailed to stockholders on or about April 25, 2011.

ABOUT THE ANNUAL MEETING

What is the purpose of the meeting?

At our Annual Meeting, stockholders will be asked to act upon the matters outlined in the Notice of Annual Meeting of Stockholders provided with this Proxy Statement, including the election of two Class II directors; ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm; approval of the increase in shares of Company common stock issuable under the SandRidge Energy, Inc. 2009 Incentive Plan (the 2009 Incentive Plan); approval, in a non-binding vote, of the compensation of the named executive officers (Advisory Vote on Compensation); recommending, in a non-binding vote, whether a non-binding stockholder vote to approve the compensation of our named executive officers should occur every one, two or three years (Advisory Vote on Frequency); and any other matters properly presented at the meeting.

Who is entitled to vote at the meeting?

Only stockholders of record as of 5:00 p.m., central time, on April 6, 2011 are entitled to receive notice of, and to vote at, the Annual Meeting. On April 6, 2011, there were 410,608,681 shares of our common stock issued, outstanding and entitled to vote at the meeting. Each outstanding share of common stock is entitled to one vote, except certain unvested shares of restricted stock issued to our directors and employees, which do not have voting rights.

How do I vote my shares?

The process for voting your shares depends on how your shares are held. Generally, you may hold shares in your name as a record holder or in street name through a nominee, such as a broker or bank. You can vote either in person at the Annual Meeting or by proxy whether or not you attend the Annual Meeting. To vote by proxy, you must either:

Sign and date the enclosed proxy card, and return it in the enclosed postage-paid envelope;

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Vote by telephone by placing a toll-free call from the U.S. or Canada to 1-800-690-6903 as described in the enclosed proxy card; or

Vote over the Internet at <https://www.proxyvote.com> as described in the enclosed proxy card.

Please note that telephone and Internet voting will close at 11:59 p.m., central time, on June 2, 2011.

If you plan to attend the Annual Meeting and wish to vote in person, you will be given a ballot at the meeting. Please note that you may vote by proxy prior to June 3, 2011 and still attend the Annual Meeting. Even if you currently plan to attend the Annual Meeting in person, we recommend that you also submit your proxy as described above so that your vote will be counted if you later decide not to attend the meeting.

If your shares are held in the name of a broker, bank or other nominee, you should receive separate instructions from the record holder of your shares describing how to vote. If your shares are held in the name of a broker, bank or other nominee and you want to vote in person, you will need to obtain and bring with you to the Annual Meeting a legal proxy from the record holder of your shares as of the close of business on April 6, 2011 indicating that you were a beneficial owner of shares as of the close of business on such date and further indicating the number of shares that you beneficially owned at that time.

How are my votes counted?

In all proposals other than the election of directors and the Advisory Vote on Frequency, you may vote FOR, AGAINST or ABSTAIN. In the election of directors, you may either vote FOR a nominee or WITHHOLD your vote from the nominee. In the Advisory Vote on Frequency, you may vote ONE YEAR, TWO YEARS, THREE YEARS OR ABSTAIN. Abstentions occur when stockholders are present at the Annual Meeting but choose to withhold their vote for any of the matters upon which the stockholders are voting. With the exception of the election of a director and the Advisory Vote on Frequency, an abstention will have the same effect as a vote AGAINST that proposal.

What is a quorum?

A quorum is the presence at the meeting, in person or by proxy, of the holders of a majority of the outstanding shares of our common stock as of the record date. There must be a quorum for the meeting to be held. If you submit a valid proxy card, vote by the Internet or phone, or attend the meeting and vote in person, your shares will be counted as present to determine whether there is a quorum. Abstentions and broker non-votes will be counted for purposes of establishing a quorum.

What are broker non-votes?

A broker non-vote occurs when the broker is unable to vote on a proposal because the proposal is not routine and the beneficial owner has not provided any instructions on that matter. New York Stock Exchange (NYSE) rules determine whether proposals are routine or not routine. If a proposal is routine, a broker holding shares for an owner in street name may vote for the proposal without voting instructions. If a proposal is not routine, the broker may vote on the proposal only if the owner has provided voting instructions. If a broker does not receive instructions for a non-routine proposal, the broker will return a proxy card without a vote on that proposal, which is usually referred to as a broker non-vote. The ratification of PricewaterhouseCoopers LLP s appointment is a routine item, but all other proposals at the Annual Meeting are not considered routine under applicable NYSE rules. Accordingly, broker non-votes on these non-routine matters will be counted for purposes of establishing a quorum, but will not be counted as having been entitled to vote or as a vote cast.

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Can I revoke my proxy?

Yes, you can revoke your proxy if you are a record holder by: (a) filing written notice of revocation with our Corporate Secretary prior to the Annual Meeting; (b) signing a proxy card bearing a later date than the proxy being revoked and submitting it to our Corporate Secretary prior to the Annual Meeting; (c) voting again by phone or over the Internet; or (d) voting in person at the Annual Meeting.

If your shares are held in street name through a broker, bank, or other nominee, you must contact the record holder of your shares to determine how to revoke your proxy.

What vote is required to approve the election of directors?

In the election of directors, you may either vote **FOR** a nominee or **WITHHOLD** your vote from the nominee. If the nominee receives a plurality of the votes cast, he will be elected to our Board of Directors. You may not cumulate your votes in the election of directors.

What vote is required to approve the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm?

In voting on the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2011, you may vote **FOR** or **AGAINST** the ratification or **ABSTAIN** from voting. If you **ABSTAIN** from voting on the adoption, your vote will have the same effect as a vote **AGAINST** the proposal. A majority of the votes cast at the Annual Meeting must be cast **FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm in order for such ratification to be approved at the Annual Meeting.

What vote is required to approve the amendment to the 2009 Incentive Plan to increase the number of shares of Company common stock issuable under the plan?

In voting on the approval of the amendment to the 2009 Incentive Plan to increase the number of shares of Company common stock issuable under the plan, you may vote **FOR** or **AGAINST** the increase or **ABSTAIN** from voting. If you **ABSTAIN** from voting on the increase, your vote will have the same effect as a vote **AGAINST** the proposal. A majority of the votes cast at the Annual Meeting must be cast **FOR** the increase in order for the increase to be approved at the Annual Meeting.

What vote is required to approve the compensation provided to the Company's named executive officers?

In voting on the Advisory Vote on Executive Compensation, you may vote **FOR** or **AGAINST** the compensation provided to the Company's named executive officers or **ABSTAIN** from voting. If you **ABSTAIN** from voting, your vote will have the same effect as a vote **AGAINST** the proposal. A majority of the votes cast at the Annual Meeting must be cast **FOR** the proposal in order for it to be approved at the Annual Meeting.

What vote is required to recommend whether a non-binding stockholder vote to approve the compensation of the Company's named executive officers should occur every one, two or three years?

In voting on the Advisory Vote on Frequency, you may vote **ONE YEAR**, **TWO YEARS**, **THREE YEARS** OR **ABSTAIN**. The choice receiving the greatest number of votes will be considered the frequency recommended by stockholders. Abstentions and broker non-votes will have no effect on the outcome of the vote.

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Are the Advisory Vote on Executive Compensation and the Advisory Vote on Frequency binding on the Company?

The votes on these proposals are non-binding on the Company. However, the Board will review the results of the votes and will take them into account when making a determination concerning executive compensation and the frequency of such advisory votes.

May I propose actions for consideration at next year's annual meeting of stockholders or nominate individuals to serve as directors?

You may submit proposals for consideration at future stockholder meetings, including director nominations. In order for a stockholder proposal to be considered for inclusion in our proxy statement for next year's annual meeting, the written proposal must be received by us no later than December 27, 2011. For a stockholder proposal, including a director nomination, to be considered at next year's annual meeting but not included in the proxy statement relating to such meeting, the written proposal must be received by us no earlier than February 3, 2012 and no later than March 7, 2012. Please see "General Information - Stockholder Proposals and Nominations" for a more detailed discussion of the requirements for submitting a stockholder proposal for consideration at next year's annual meeting.

What if I do not mark a voting choice for some of the matters listed on my proxy card?

If you return a signed proxy card without indicating your vote, your shares will be voted in accordance with the Board of Directors recommendation for each proposal with respect to which a voting choice is not indicated.

Could other matters be decided at the Annual Meeting?

We do not know of any other matters that will be considered at the Annual Meeting. If there are any other matters that arise at the meeting, proxies will be voted at the discretion of the proxy holders.

What happens if the Annual Meeting is postponed or adjourned?

If the Annual Meeting is postponed or adjourned, your proxy will still be good and may be voted at the postponed or adjourned meeting. You will still be able to change or revoke your proxy until it is voted.

How does the Board of Directors recommend I vote on the proposals?

The Board of Directors recommends that you vote:

FOR the nominees for director set forth on page 14;

FOR the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011;

FOR the approval of the amendment to increase the number of shares of Company common stock issuable under the 2009 Incentive Plan;

FOR the approval of the Advisory Vote on Compensation; and

THREE YEARS when voting on the Advisory Vote on Frequency.

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CORPORATE GOVERNANCE MATTERS

Board Structure

Our Board of Directors currently consists of seven directors and is divided into three classes as provided in our Certificate of Incorporation and Amended and Restated Bylaws (Bylaws). Stockholders elect a portion of our Board of Directors each year. Class II directors terms will expire at the Annual Meeting, Class III directors terms will expire at the annual meeting of stockholders to be held in 2012 and Class I directors terms will expire at the annual meeting of stockholders to be held in 2013. Currently, the Class II directors are Tom L. Ward and Roy T. Oliver, Jr.; the Class III directors are Daniel W. Jordan and Everett R. Dobson; and the Class I directors are Jim J. Brewer, William A. Gilliland and Jeffrey S. Serota. At each annual meeting of stockholders, the stockholders will elect a successor to each of the directors whose term expires on the date of the meeting, or re-elect each such director, with each successor or re-elected director to serve from the time of election until the third annual meeting following election.

Our Bylaws also provide that the authorized number of directors that shall constitute the whole Board of Directors may be changed by resolution duly adopted by the Board of Directors. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the total number of directors. Vacancies and newly created directorships may be filled by the affirmative vote of a majority of directors then in office, even if such number is less than a majority of the authorized number of directors.

Leadership Structure

As permitted by the Company s Bylaws, Mr. Ward currently serves as both Chairman and Chief Executive Officer of the Company, and the Board of Directors has not appointed a lead independent director. For the reasons discussed below, the Board of Directors believes this is the most appropriate leadership structure for the Company at this time.

Mr. Ward s service as the Board s Chairman allows the Board to act efficiently and effectively to best serve the interests of the Company s stockholders and the Company as a whole. The Chief Executive Officer bears primary responsibility for managing the day-to-day business of the Company, and he is best suited to bring key business issues and stockholders interests to the attention of the Board.

Under its current organizational structure, the Company has acted quickly and decisively on numerous occasions to seek Board approval and facilitate the successful completion of strategic acquisitions of oil and gas properties and a publicly traded oil and gas company, transactions involving acquisitions and dispositions of other assets, joint venture transactions and significant capital-raising transactions during difficult market conditions. The Board believes these outstanding results were facilitated, in large part, by Mr. Ward s ability to serve as an effective bridge between the Board and management, providing the Board with a thorough understanding of the Company and its business and fostering an open dialogue between the Board and senior management. In addition, the Board believes that by holding both of these roles, Mr. Ward has been able to give the Company united leadership for executing strategic initiatives and meeting challenges.

The Board does not believe that the Company s leadership structure would be enhanced appreciably by splitting the roles of Chairman and Chief Executive Officer at this time. The Board follows sound corporate governance practices to ensure its independence and effective functioning, as described in detail below. Most importantly, except for Mr. Ward, the Board is composed entirely of directors determined to be independent. The independent directors meet in a scheduled executive session without Mr. Ward present at every regular meeting of the Board. In addition, each of the Board s committees is composed entirely of independent directors, which means that oversight of critical issues such as the integrity of the Company s financial statements, Chief Executive Officer and senior management compensation, and Board evaluation and selection of directors is entrusted to independent directors.

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The Board intends to review its leadership structure from time to time to determine whether circumstances recommend a change in such structure.

Risk Oversight

The Board of Directors is generally responsible for overseeing management of the various operational, financial, legal and human resources-related risks faced by the Company. The Board fulfills this responsibility by requesting and reviewing reports and presentations from management regarding such risks, including, among other things: risks with respect to oil and gas production; the maintenance of oil and gas leases; the concentration of the Company's operations and assets; environmental, health and safety matters; insurance coverages; the creditworthiness of counterparties; the Company's status with respect to applicable financial covenants; litigation and governance matters; and compensation-related risks. The Board also periodically reviews the Company's derivative trading strategy, which is intended to mitigate risks associated with changes in commodities prices. In addition, the Audit Committee oversees the implementation and effectiveness of the Company's compliance program, and reviews specific financial and legal matters as requested by the full Board from time to time. The Company's general counsel reports directly to the Audit Committee on compliance program matters. The general counsel and other senior executives periodically report to the Audit Committee and the Board on other operational, financial, legal, and human resources-related risks as they may arise from time to time. Further, in reviewing the Company's compensation programs and policies, the Compensation Committee considers risks that may be created by such programs. The responsibilities of the committees to oversee risk in the manner set forth above are considered when determining the chairs of such committees.

Director Qualifications

The Nominating and Governance Committee has the responsibility under its charter to recommend nominees for election to the Board of Directors. Rather than maintaining a formal list of minimum qualifications in making its identification, evaluation and recommendation of nominees, the Nominating and Governance Committee considers the entirety of each candidate's credentials, including relevant skills and experience, independence under applicable Securities and Exchange Commission (SEC) and New York Stock Exchange (NYSE) standards, business judgment, service on the boards of directors of other companies, personal and professional integrity, openness and ability to work as part of a team, willingness to commit the required time to serve as a Board member, and familiarity with the Company and its industry.

The Board believes that each of its directors and director nominees understands fully the responsibilities of service as a director and the governance requirements applicable to public companies resulting from the orientation and ongoing education provided by the Company's general counsel, their service on the boards of directors of other public companies and their involvement as directors in initial public offerings, including that of the Company.

In identifying, nominating and approving of director candidates, the Nominating and Governance Committee and the Board also believe the Board, as a whole, should have:

significant senior management experience;

experience overseeing public company financial management matters, including expertise in financial reporting and internal control, which experience and expertise are essential to the Company's ability to comply with its many and complex financial reporting responsibilities;

substantial experience in varied facets of the oil and natural gas industry so as to deal most effectively with its vendors, peers and downstream counterparties; and

a background in investing and capital raising activities, which the Board believes is made necessary by the Company's growth profile.

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The Nominating and Governance Committee, in recommending director candidates, considers diversity based on the extent to which a candidate's experiences in the areas described above differ from those of the other members of the Board. A candidate is nominated only if the Nominating and Governance Committee believes the combination of the candidate's experiences will bring a unique perspective to Board deliberations and the oversight of the Company's affairs.

As a result of the experiences of its individual members detailed below, the Nominating and Governance Committee and the Board believe that the Board, as a whole, has the following qualifications and experience valued by them.

Significant senior management experience	Mr. Ward	Chief Executive Officer of the Company and former Director, President and Chief Operating Officer of Chesapeake Energy Corporation
	Mr. Brewer	Co-founder and President of J-Brex Company and co-founder and director of Energynet.com
	Mr. Dobson	Former Chairman and Chief Executive Officer of Dobson Communications Corporation
	Mr. Gilliland	Former Chairman, Chief Executive Officer and President of Cross-Continent Auto Retailers, Inc.
	Mr. Jordan	Former Vice President, Business of Riata Energy, Inc., former director and Vice President of Lariat Compression Company, and former Chairman, Chief Executive Officer and President of Jordan Drilling Fluids, Inc.
	Mr. Oliver	President of R.T. Oliver Investments, Inc., Chairman and President of Valliance Bank, N.A., former President of U.S. Rig and Equipment, Inc. and former director of Grey Wolf, Inc.
Experience overseeing public company financial management matters, including expertise in financial reporting and internal control	Mr. Brewer	Co-founder and President of J-Brex Company
	Mr. Dobson	Former Chairman and Chief Executive Officer of Dobson Communications Corporation
	Mr. Serota	Current member of Audit Committee of Board of Directors of EXCO Resources, Inc.
Substantial experience in varied facets of the oil and natural gas industry	Mr. Ward	Senior positions in exploration and production companies, including as Chief Executive Officer and President of the Company and former Director, President and Chief Operating Officer of Chesapeake Energy Corporation
	Mr. Brewer	Senior positions in oil and gas related businesses, including as President of J-Brex Company and director of Energynet.com
	Mr. Gilliland	Manager of Gillco Energy, L.P., an oil and gas exploration and production company
	Mr. Jordan	Senior positions in oil and gas services and exploration and production companies, including as former Vice President, Business of Riata Energy, Inc., former director and Vice President of Lariat Compression Company, and former Chairman, Chief Executive Officer and President of Jordan Drilling Fluids, Inc.
	Mr. Oliver	Former President of U.S. Rig and Equipment, Inc. and former director of Grey Wolf, Inc., drilling rig companies

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Mr. Serota

Current director of an exploration and production company, EXCO Resources, Inc.

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Background in investing and capital raising activities	Mr. Ward	Chief Executive Officer and President of the Company and former Director, President and Chief Operating Officer of Chesapeake Energy Corporation
	Mr. Dobson	Former Chairman and Chief Executive Officer of Dobson Communications Corporation and Chairman of Investment Committee of Southwestern Oklahoma State University Foundation
	Mr. Gilliland	Manager of Gillco Energy, L.P. and Gillco Investments, L.P., and former Chairman, Chief Executive Officer and President of Cross-Continent Auto Retailers, Inc.
	Mr. Oliver	President of R.T. Oliver Investments, Inc., a diversified investment company with interests in energy, energy services, media and real estate, and Chairman and President of Valliance Bank, N.A.
	Mr. Serota	Senior Partner with Ares Management LLC, an independent Los Angeles-based investment firm, former vice president in the Investment Banking Department of Bear, Stearns & Co., and former employment with Dabney/Resnick, Inc., a boutique investment bank, where Mr. Serota specialized in merchant banking and capital raising activities for middle market companies and had primary responsibility for the firm's bridge financing activities

Messrs. Ward and Oliver are being renominated because the Nominating and Governance Committee and the Board believe they continue to possess the qualities desirable in individual directors and contribute to the experience desired for the Board as a whole. In addition, in recommending that these directors be renominated for a three-year term expiring at the 2014 annual meeting of stockholders, the Nominating and Governance Committee reviewed attendance at Board and committee meetings and assessed the past performance and contributions to the Board of these directors.

Director Biographical Information

The names of the members of our Board of Directors and certain information concerning each of them as of March 31, 2011, are set forth below.

Class	Name	Age	Position
II	Tom L. Ward	51	Chairman and Chief Executive Officer
I	Jim J. Brewer	52	Director
III	Everett R. Dobson	51	Director
I	William A. Gilliland	73	Director
III	Daniel W. Jordan	54	Director
II	Roy T. Oliver, Jr.	58	Director
I	Jeffrey S. Serota	45	Director

Nominees for Election at the Annual Meeting to Serve for a Three-Year Term (Class II Directors)

Tom L. Ward. Mr. Ward has served as our Chairman and Chief Executive Officer since June 2006 and as our President from December 2006 until January 2011. Prior to joining SandRidge, he served as director, President and Chief Operating Officer of Chesapeake Energy Corporation from the time he co-founded the

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company in 1989 until February 2006. From February 2006 until June 2006, Mr. Ward managed his private investments. Mr. Ward graduated from the University of Oklahoma with a Bachelor of Business Administration in Petroleum Land Management. He is a member of the Board of Trustees of Anderson University in Anderson, Indiana.

Roy T. Oliver, Jr. Mr. Oliver was appointed as a director of SandRidge Energy, Inc. in 2006. Mr. Oliver has served as President of R.T. Oliver Investments, Inc., a diversified investment company with interests in energy, energy services, media and real estate, since August 2001. The company presently owns the largest portfolio of class A office properties in Oklahoma. He has served as Chairman and President of Valliance Bank, N.A. since August 2004. He founded U.S. Rig and Equipment, Inc. in 1980 and served as its President until its assets were sold in August 2003. Mr. Oliver is a graduate of the University of Oklahoma with a Bachelor of Business Administration degree. He serves on The University of Oklahoma Michael F. Price College of Business Board of Advisors.

Directors Continuing in Office until the 2012 Annual Meeting of Stockholders (Class III Directors)

Daniel W. Jordan. Mr. Jordan was appointed as a director of SandRidge Energy, Inc. in 2006. Mr. Jordan served as a director and Vice President of Lariat Compression Company from August 2003 to September 2005. From October 2005 through August 2006, Mr. Jordan served as Vice President, Business of Riata Energy, Inc., our predecessor. Since September 2006, Mr. Jordan has been involved in private investments. Prior to joining SandRidge, Mr. Jordan founded Jordan Drilling Fluids, Inc. and served as its Chairman, President and Chief Executive Officer from March 1984 to July 2005. Mr. Jordan sold Jordan Drilling Fluids, Inc. and its wholly owned subsidiary, Anchor Drilling Fluids USA Inc., in July 2005. At that time, Anchor Drilling Fluids USA Inc. was the largest privately held domestic drilling fluids firm.

Everett R. Dobson. Mr. Dobson was appointed as a director of SandRidge Energy, Inc. in 2009. He has served as Chairman for Dobson Technologies, a private landline, fiber optic and data storage business since November 2003. The founder of Dobson Communications Corporation, a telecommunications company listed on NASDAQ until its 2007 sale, Mr. Dobson served as its Chairman and Chief Executive Officer from 1996 until 2005 and as its Executive Chairman from 2005 until 2007, when the company was sold. Mr. Dobson holds a Bachelor of Arts degree in Economics from Southwestern Oklahoma State University and has served on its Foundation Board of Directors since 1991.

Directors Continuing in Office until the 2013 Annual Meeting of Stockholders (Class I Directors)

Jim J. Brewer. Mr. Brewer was appointed as a director of SandRidge Energy, Inc. in 2011. Mr. Brewer, a geologist, has almost 30 years of experience in the oil and gas business. In 1987, Mr. Brewer co-founded J-Brex Company, a private oil and gas and real estate company, of which he is the President. He co-founded Energynet.com, a large on-line oil and gas property auction service in 1999, and currently serves on its board of directors. Mr. Brewer has degrees in geology and mathematics from West Texas State University.

William A. Gilliland. Mr. Gilliland was appointed as a director of SandRidge Energy, Inc. in 2006. Mr. Gilliland has served as managing partner of several personal and family investment partnerships, including Gillco Energy, L.P. and Gillco Investments, L.P., since April 1999. Prior to this, Mr. Gilliland was the founder, Chairman, Chief Executive Officer and President and of Cross-Continent Auto Retailers, Inc. Mr. Gilliland holds a Bachelor of Business Administration from North Texas State University.

Jeffrey S. Serota. Mr. Serota was appointed as a director of SandRidge Energy, Inc. in 2007. He has served as a Senior Partner with Ares Management LLC, an alternative asset investment firm, since September 1997. Prior to joining Ares, Mr. Serota worked at Bear Stearns from March 1996 to September 1997, where he specialized in providing investment banking services to financial sponsor clients of the firm. He currently serves on the board of directors of EXCO Resources, Inc., WCA Waste Corporation and Douglas Dynamics, Inc.

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Mr. Serota received a Bachelor of Science degree in Economics from the University of Pennsylvania's Wharton School of Business and received a Master of Business Administration degree from UCLA's Anderson School of Management.

Director Independence

The Board of Directors has determined that Messrs. Brewer, Dobson, Gilliland, Jordan, Oliver and Serota have no material relationships with the Company other than as directors and stockholders of the Company and are independent for purposes of the NYSE listing standards. In making these determinations, the Board considered all relevant facts and circumstances that could affect such person's exercise of independent judgment in carrying out the responsibilities of a director. The Board determined that Mr. Dobson's interest in the transaction between the Company and the Oklahoma City Thunder, whereby the Company has agreed to be a corporate sponsor for the team and purchase a suite license from the team, is not material because Mr. Dobson's minority ownership interest in the team is relatively small in value compared to his other business interests and the value derived by the Company pursuant to the sponsorship arrangement. Please see Certain Relationships and Related Transactions for a more detailed discussion of these transactions. The Board of Directors additionally has determined that all Audit Committee members meet the independence requirements for audit committee members set forth in Rule 10A-3 under the Securities Exchange Act of 1934, as amended (Exchange Act).

Director Attendance at Meetings of the Board of Directors and Stockholder Meetings

The Board of Directors held 13 meetings during 2010, and each of the directors attended at least 75% of the meetings held in 2010.

Our non-management directors, all of whom are independent, meet in an executive session at each regularly scheduled Board of Directors meeting. The role of presiding director at each such meeting is rotated among the non-management directors.

The Board of Directors encourages interaction with stockholders and recognizes that annual meetings of the stockholders provide a venue where stockholders can access and interact with our directors. Accordingly, while we do not have a policy requiring our directors to attend annual meetings of the stockholders, each member of the Board of Directors is encouraged to attend the meetings. All of our directors attended the 2010 annual meeting of the stockholders.

Committees of the Board of Directors

The Board of Directors has an Audit Committee, a Nominating and Governance Committee and a Compensation Committee. Members of each committee are elected by the Board of Directors and serve until their successors are elected and qualified. Each of the committees of the Board of Directors has adopted a charter consistent with the rules of the NYSE, all of which can be found in the corporate governance section of our website at <http://www.sandridgeenergy.com>.

Audit Committee. The Audit Committee, which currently consists of Messrs. Brewer, Dobson and Gilliland, oversees and reports to the Board of Directors on various auditing and accounting-related matters, including the maintenance of the integrity of our financial statements, reporting process and internal controls; the selection, evaluation, compensation and retention of our independent registered public accounting firm; the performance of internal audit; legal and regulatory compliance, including our disclosure controls and procedures; and oversight over our risk management policies and procedures. Mr. Dobson serves as chairman of this committee, and Mr. Dobson has been determined by our Board of Directors to be an audit committee financial expert as defined under the rules of the SEC. The Audit Committee met four times during 2010, and each member of the committee attended at least 75% of all of the meetings held during this period.

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Nominating and Governance Committee. The Nominating and Governance Committee, which consists of Messrs. Oliver and Jordan, advises the Board of Directors and makes recommendations regarding appropriate corporate governance practices; assists the Board of Directors with the identification and nomination of individuals qualified to become members of the Board of Directors; and maintains a succession plan for our Chief Executive Officer. Mr. Oliver serves as the chairman of this committee. The Nominating and Governance Committee met two times during 2010 and each member of the committee attended the meeting.

The Nominating and Governance Committee has the responsibility under its charter to recommend nominees for election to the Board of Directors. In considering candidates for the Board of Directors, the Nominating and Governance Committee considers the qualifications described on page 6 of this Proxy Statement. The Nominating and Governance Committee equally considers candidates for the Board of Directors recommended from any reasonable source, including from any search firm engaged by the committee or from stockholders, provided the procedures set forth below are followed by stockholders who want to make recommendations to the committee.

With respect to the nomination of directors at a stockholders meeting, the Nominating and Governance Committee will consider stockholder recommendations that are received by the Company's Corporate Secretary at 123 Robert S. Kerr Avenue, Oklahoma City, Oklahoma 73102 by December 31 of the year preceding such meeting.

A stockholder recommendation should set forth (i) the name and address of and number of shares of common stock owned by the recommending stockholder, (ii) information relating to the recommended candidate that would be required to be disclosed in a solicitation of proxies for the election of the candidate pursuant to Regulation 14A under the Exchange Act, (iii) a description of all agreements related to the nomination among the recommending stockholder, recommended candidate or other persons, and (iv) any other information the recommending stockholder believes would be useful in informing the committee's decision making.

In addition to making recommendations of director nominees to the Nominating and Governance Committee, stockholders may make director nominations or proposals at any annual meeting of the stockholders, provided they comply with the requirements set forth in our Bylaws and, for their nominations and proposals to be included in a proxy statement delivered by us, with Regulation 14A of the Exchange Act. See General Information Stockholder Proposals and Nominations below.

Compensation Committee. The Compensation Committee, which currently consists of Messrs. Gilliland, Jordan and Oliver, establishes all compensation for our executive officers and reviews and makes recommendations with respect to our incentive compensation and benefit plans. Mr. Gilliland serves as chairman of the committee. The Compensation Committee met three times during 2010, and each member of the committee attended at least 75% of all of the meetings held during the period.

In 2010, the Compensation Committee directly retained the services of an independent compensation consulting firm, Longnecker & Associates (Longnecker), to perform comparative analyses of compensation paid by exploration and production companies that compete with us in the labor and capital markets. No member of the Compensation Committee or any named executive officer has any affiliation with Longnecker. The committee periodically seeks input from Longnecker on a range of external market factors,