

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Assignment Agreement") is entered into effective as of the 31st day of December, 2012 (the "Effective Date"), by and among SandRidge Energy, Inc., on behalf of itself and its wholly-owned subsidiaries SandRidge Midstream, Inc. and SandRidge Exploration and Production, LLC, Texas Taxpayer Identification Number 12080847937 (collectively "Assignor"), and OXY USA Inc., Texas Taxpayer Identification Number 17311668804 ("Assignee"). Assignor and Assignee are hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties." Capitalized terms used in this Assignment Agreement and not otherwise defined in this Assignment Agreement shall have the meanings ascribed to them in the Agreement (as hereinafter defined).

WHEREAS, Assignor and the Fort Stockton Independent School District, a lawfully created independent school district within the State of Texas operating under and subject to the Texas Education Code (the "District"), are parties to that certain Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes dated December 22, 2008 (the "Agreement");

WHEREAS, the Agreement provides for certain limits on the ad valorem tax valuation of improvements made to, and tangible personal property in or on (such improvements and tangible personal property being collectively referred to and defined in the Agreement as the "Applicant's Qualified Investment"), real property located within an area designated as a reinvestment zone by the District under Section 312.0025 of the Texas Tax Code (such real property being collectively referred to and defined in the Agreement as the "Applicant's Qualified Property");

WHEREAS, Assignor has completed the construction and installation of the Applicant's Qualified Investment, the Applicant's Qualified Property, and other assets included in the project described in the Application, which includes the improvements and tangible personal property constituting "Train 1" (which includes the "Selexol Unit"), "Train 2", "Shared Equipment", and the "McCamey CO2 Pipeline" (as such terms are defined in that certain Construction Management Agreement between Assignee and SandRidge Exploration and Production, LLC dated June 29, 2008 (collectively, the "Assigned Property"). On August 8, 2012, the care, custody and control of Train 1, the McCamey CO2 Pipeline and certain Shared Equipment were transferred by Assignor to Assignee, and on December 31, 2012, the care, custody and control of the remainder of the Assigned Property was transferred by Assignor to Assignee;

WHEREAS, Assignor previously submitted to Assignee, and Assignee previously paid to Assignor the amounts shown as due from Assignee to Assignor on, Assignor's Invoice No. 01-AR-022013 dated February 5, 2013 (the "Invoice"), setting forth, among other things, the amounts due from Assignee to Assignor with respect to Assignee's share of (i) the property taxes imposed by the District on the Assigned Property for the tax year 2012, and (ii) the payments due to the District with respect to the tax year 2012 under Articles III and IV of the Agreement;

WHEREAS, Assignor wishes to assign to Assignee all of Assignor's rights and responsibilities under the Agreement; and

WHEREAS, Assignee wishes to acquire the rights, and to assume and agree to perform and discharge the responsibilities, of Assignor under the Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Assignment Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Assignment. Except as provided in Section 3 hereof, Assignor does hereby assign, transfer, set over and convey unto to Assignee all right, title and interest of Assignor in and to the Agreement, to have and to hold the same unto Assignee, its successors and assigns, and Assignee hereby accepts such assignment.

2. Assumption and Indemnity. Assignee does hereby assume, and agrees to perform and discharge, all of the responsibilities of Assignor under the Agreement. Without limiting the generality of the immediately preceding sentence, (i) Assignee shall be solely liable and responsible for, and shall defend, indemnify and hold Assignor harmless from and against (A) the entirety of all amounts due or payable to the District or the Third Party under the Agreement beginning with and including the tax year 2013 and for each tax year thereafter during the term of the Agreement, including without limitation all amounts due under Articles III and IV of the Agreement and all maintenance and operations property taxes and any interest and sinking fund (debt service) property taxes imposed by the District, (B) all property taxes (including any penalties, interest, additions or other amounts thereon) imposed by the District for the tax year 2013 and all subsequent tax years on all or any portion of the Assigned Property and (C) any liability for the recapture of any ad valorem taxes or tax revenues (and any penalties and interest thereon), the recovery of any liquidated or other damages (including penalties and interest included therein), and any other costs, expenses or other amounts that become due under the Agreement that results from any act or failure to act by Assignee or occurring after the Effective Date, including without limitation a material breach or default not cured in accordance with the terms of the Agreement, or any exercise by Assignee of its option to cancel and terminate its participation in the Agreement pursuant to Section 5.2 of the Agreement, and (ii) the Parties acknowledge and agree that the Invoice correctly and accurately sets forth each of the Parties' responsibility and liability with respect to the amounts set forth in the Invoice.

3. Tax Credits. Notwithstanding anything contained in this Assignment Agreement or the Agreement to the contrary, Assignor expressly reserves and retains any and all rights, title and interest in and to the amount or economic benefit of any tax credit pursuant to Article VI of the Agreement (whether in cash or as a credit against or offset to any tax or other amount due) which shall be the property, and for the account, of Assignor. If Assignee receives any such tax credit (whether in cash or as a credit against or offset to any tax or other amount due), Assignee shall pay or cause to be paid the amount of such tax credit (together with any interest credited thereon) to Assignor within thirty (30) business days after such tax credit is received, credited or applied as an offset. Assignee will cooperate fully with Assignor in connection with any matter relating to Assignor's efforts to obtain any such tax credit. Assignee shall be responsible for

indemnifying the District, on an annual basis, for that portion of the unreimbursed tax credits pursuant to Subsection *i* of Section 3.3 and Section 6.3 of the Agreement except to the extent such unreimbursed credits were paid to Assignor in which case Assignor shall be responsible for indemnifying the District for such unreimbursed tax credits paid to Assignor.

4. Further Assurances. The Parties hereby covenant and agree, from time to time, to execute and deliver, or cause to be executed and delivered, such documents and instruments and to take, or cause to be taken, such further or other action as the other Party may reasonably request in order to carry out the intent of this Assignment Agreement, including the assignment, conveyance, transfer and delivery of the Agreement unto Assignee, and assumption of responsibilities under the Agreement by Assignee.

5. Successors and Assigns. The provisions of this Assignment Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

6. Severability. If any provision under this Assignment Agreement shall be invalid, illegal, or unenforceable, it shall not affect or impair the validity, legality and enforceability of any other provision of this Assignment Agreement.

7. Amendments. This Assignment Agreement may be amended only by written instrument duly signed by each of the Parties hereto.

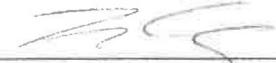
8. Counterparts. This Assignment Agreement may be executed in two or more counterparts, all of which shall be deemed to constitute one and the same instrument. Delivery of this Assignment Agreement in Portable Document Format (pdf) or by facsimile transmission shall be effective as delivery of an executed original counterpart of this Assignment Agreement with confirmation of a successful transmission.

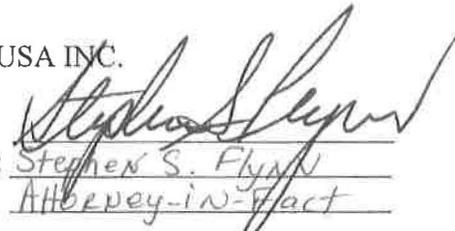
9. GOVERNING LAW. THIS ASSIGNMENT AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICT OF LAWS.

IN WITNESS WHEREOF, the Parties to this Assignment and Assumption Agreement have executed the same effective as of the date and year first above written.

SANDRIDGE ENERGY, INC.

OXY USA INC.

By: 
Name: WAYNE C. CHANG
Title: SR. VP

By: 
Name: Stephen S. Flynn
Title: Attorney-in-Fact



[Acknowledgement page follows.]

ACKNOWLEDGEMENT

Fort Stockton Independent School District, a lawfully created independent school district within the State of Texas operating under and subject to the Texas Education Code, hereby joins in the execution of this Assignment Agreement for the purpose of acknowledging the provisions of Section 3 of this Assignment Agreement, including, but not limited, Assignor's express reservation and retention of any and all rights, title and interest in and to the amount or economic benefit of any tax credit pursuant to Article VI of the Agreement (whether in cash or as a credit against or offset to any tax or other amount due) which shall be the property, and for the account, of Assignor.

FORT STOCKTON INDEPENDENT
SCHOOL DISTRICT

By: _____
Ken Ripley
President
Board of Trustees

Attest:

By: _____
Sandra Marquez
Secretary
Board of Trustees