



SANDRIDGE ENERGY, INC.
Non-GAAP Financial Measures
Q1 2009 (period ending March 31, 2009)

The tables below reconcile the most directly comparable GAAP financial measures to operating cash flow, EBITDA, adjusted EBITDA, and adjusted net income available (loss applicable) to common stockholders.

Reconciliation of Net Cash Provided by Operating Activities to Operating Cash Flow

	Three Months Ended March 31,	
	2009	2008
	(in thousands)	
Net cash provided by operating activities	\$ 73,231	\$ 156,689
Add (deduct):		
Change in operating assets and liabilities	45,842	(13,378)
Operating cash flow	\$ 119,073	\$ 143,311

Reconciliation of Net Loss to EBITDA and Adjusted EBITDA

	Three Months Ended March 31,	
	2009	2008
	(in thousands)	
Net loss ⁽¹⁾	\$ (1,154,857)	\$ (56,625)
Adjusted for:		
Income tax benefit	(1,169)	(30,538)
Interest expense ⁽²⁾	40,501	25,978
Depreciation, depletion and amortization - other	12,726	17,965
Depreciation, depletion and amortization - natural gas and crude oil	60,093	65,076
EBITDA	(1,042,706)	21,856
Asset impairment	1,304,418	-
Provision for doubtful accounts	-	-
Income from equity investments	(234)	(859)
Noncontrolling interest	3	835
Interest income	(11)	(813)
Stock-based compensation	5,205	3,241
Unrealized (gains) losses on derivative contracts	(108,010)	143,367
Adjusted EBITDA	\$ 158,665	\$ 167,627

(1) Includes gain (loss) on sale of assets

(2) Excludes unrealized loss (gain) of \$0.3 million and (\$0.8) million on interest rate swap for the three months ended March 31, 2009 and 2008, respectively

Reconciliation of Net Cash Provided by Operating Activities to Adjusted EBITDA

	Three Months Ended March 31,	
	2009	2008
	(in thousands)	
Net cash provided by operating activities	\$ 73,231	\$ 156,689
Changes in operating assets and liabilities	45,842	(13,378)
Interest expense ⁽¹⁾	40,501	25,978
Loss on sale of assets	(180)	(23)
Other non-cash items	(729)	(1,639)
Adjusted EBITDA	<u>\$ 158,665</u>	<u>\$ 167,627</u>

⁽¹⁾ Excludes unrealized loss (gain) of \$0.3 million and (\$0.8) million on interest rate swap for the three months ended March 31, 2009 and 2008, respectively

Reconciliation of Net Loss Applicable to Common Stockholders to Adjusted Net Income Available to Common Stockholders

	Three Months Ended March 31,	
	2009	2008
	(in thousands)	
Net loss applicable to common stockholders	\$ (1,154,857)	\$ (66,207)
Asset impairment	1,304,418	-
Unrealized (gains) losses on derivative contracts	(108,010)	143,367
Effect of income taxes	(1,210)	(50,229)
Adjusted net income available to common stockholders	<u>\$ 40,341</u>	<u>\$ 26,931</u>
Per share - basic and diluted	<u>\$ 0.25</u>	<u>\$ 0.19</u>