

SANDRIDGE ENERGY INC  
Form DEFA14A  
June 11, 2018

**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 under Rule 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):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:
  
  
  
  
  
  
  
  
  
  
- (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:

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**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**

**Date of report (Date of earliest event reported): June 11, 2018**

**SANDRIDGE ENERGY, INC.**

**(Exact name of registrant as specified in its charter)**

**Delaware**  
**(State or Other Jurisdiction**  
**of Incorporation)**

**1-33784**  
**(Commission**  
**File Number)**

**20-8084793**  
**(IRS Employer**  
**Identification No.)**

**123 Robert S. Kerr Avenue**  
**Oklahoma City, Oklahoma**

**73102**  
**(Zip Code)**

**Registrant's Telephone Number, including Area Code: (405) 429-5500**

**Not Applicable**

**(Former name or former address, if changed since last report)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))  
Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 8.01. Other Events.**

On June 11, 2018, SandRidge Energy, Inc. (the Company ) made available to its shareholders a letter regarding the Company and its pending proxy contest against Carl C. Icahn and his affiliates. A copy of the letter is filed herewith as Exhibit 99.1 and is incorporated herein by reference in its entirety.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

**Exhibit**

<b>No.</b>	<b>Description</b>
99.1	Shareholder Letter of SandRidge Energy, Inc. dated June 11, 2018.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**SANDRIDGE ENERGY, INC.**

(Registrant)

Date: June 11, 2018

By: /s/ Philip T. Warman

*Philip T. Warman*

*Executive Vice President, General Counsel and  
Corporate Secretary*

June 11, 2018

**Dear Fellow SandRidge Shareholders:**

The SandRidge Energy Annual Meeting is almost upon us and your vote at the June 19 meeting is critical in determining the fate of the Company and your investment. Carl Icahn has gone to great lengths in his attempts to demonstrate his virtuous desire for corporate change and to convince you to allow him to **take control of SandRidge's board of directors**. Make no mistake, Icahn's repeated false statements are disingenuous and self-serving, and are intended to provide him with control of SandRidge, to the **detriment of all other shareholders**.

**The right decision is clear:**

Elect **ALL FIVE** highly-qualified SandRidge directors **Sylvia K. Barnes, Kenneth H. Beer, Michael L. Bennett, William M. Griffin and David J. Kornder** who are committed to acting in the best interests of **ALL** shareholders, and are making significant progress in a thorough and impartial strategic review process aimed at maximizing shareholder value

Elect **TWO** independent nominees put forth by Icahn Capital (Icahn)

Vote **FOR** the extension of the short-term rights plan

Vote **FOR** the advisory vote on executive compensation

***Our rationale is sound and compelling:***

All five current SandRidge directors are committed to acting in your best interests and are critically important to guiding the Company and leading the thorough strategic review process, which includes Icahn;

Icahn's only plan involves partnering with Matthew Grubb, SandRidge's former President and COO, who helped lead what Icahn himself called a debt fueled acquisition spree resulting in significant value destruction;

Icahn is seeking to gain control of the Company without paying an appropriate premium and disrupt the ongoing strategic review process at the expense of other shareholders. There is no benefit to providing Icahn with additional board representation beyond the two independent nominees your Board already recommends; and



Independent proxy advisors ISS and Glass Lewis agree that Icahn should not control the SandRidge Board. **Protect your investment by voting the Company's WHITE universal proxy card TODAY FOR all five highly qualified SandRidge directors plus two independent Icahn nominees. Given the short time until the Annual Meeting, we recommend you follow the instructions on the enclosed WHITE universal proxy card to vote by telephone or Internet to ensure your vote is counted.**

*Your current Board has a proven commitment to act in the best interests of all shareholders*

**The SandRidge Board has taken clear and decisive action to reposition the Company, including:**

Committed the Company to a new strategic direction, minimizing equity dilution, controlling debt and maximizing shareholder value;

Initiated a management transition plan, replacing the Company's President and Chief Executive Officer and Chief Financial Officer;

Refreshed our Board with 40% of our directors having joined in 2018;

Expanded the Board from **five** to **seven** members to accommodate **two additional independent directors recommended by Icahn**;

Dramatically reduced the Company's general and administrative expenses;

Taken action to eliminate the compensation program adopted by the prior Board, and align pay with performance;

Developed a new bottoms-up 3P reserves development plan; and

Initiated a thorough and impartial review of strategic alternatives, in which Icahn is participating.

**ALL FIVE independent SandRidge directors have a stellar track record and unparalleled industry expertise; critical to moving the Company forward** and successfully concluding the ongoing strategic alternatives review process in a fair and impartial manner.

All SandRidge directors possess critical knowledge of the Company, combined with the appropriate industry expertise and experience.

**Messrs. Griffin, Bennett, and Kornder** possess extensive legacy knowledge on the Company and its operations.

**Ms. Barnes and Mr. Beer** provide SandRidge with new, independent viewpoints as industry and financial experts with nearly 70 years of collective experience.

In addition, our directors collectively possess a strong track record in the energy, finance, and private equity sectors, with professional experience ranging from 25-40 years per Board member, and all have public company experience.

The Board also believes that the addition of **two independent nominees put forth by Icahn**—John Lipinski and Randolph Read—can benefit the Company by assisting in the impartial review of strategic alternatives and adding a fresh perspective.

***Your Board strongly believes there is NO benefit to providing Icahn with more than two independent additional board representatives at this time***

Two new board members provide Icahn with board representation **well in excess of its ownership** and the election of more than two Icahn nominees could be detrimental to the progress of the impartial strategic review process and the future stability of SandRidge. Electing additional Icahn nominees is unnecessary and would **weaken** the independence and diversity of the board and **disrupt** the ongoing strategic review process which is focused on increasing shareholder value for **all** shareholders.

Icahn's non-independent nominees:

Are deeply conflicted;

Lack familiarity with the Company;

Have limited experience in our industry; and

Would disrupt the ongoing strategic review process.

***Don't let Icahn steal control of your investment and disrupt the ongoing strategic review process***

**Icahn is seeking to gain control of SandRidge without paying an appropriate premium or participating in a competitive process.** Icahn has made clear its desire to acquire SandRidge. However, having nominated for election a full slate of seven candidates, including two who work directly for Icahn and one former employee, to sidestep the ongoing impartial process, Icahn is **not content to compete fairly** with other potential counterparties in the **thorough and even-handed process being conducted by the SandRidge Board.**

Icahn has assailed the Company's operations under co-founder and former CEO Tom Ward. Ironically, Icahn's only plan involves partnering with Matthew Grubb, Mr. Ward's right-hand man who helped lead the Company on what Icahn described as a debt fueled acquisition spree, which resulted in significant value destruction and ultimately positioned the Company for bankruptcy. Rather than offer a real plan, **Icahn's objective is to conduct a rigged sales process** led by his own employees.

***Independent proxy advisors agree Icahn should not control your Board***

Independent proxy experts, ISS and Glass Lewis agree that a SandRidge Board led by your directors is the best path forward. In its report, ISS reiterated our belief that Icahn has no go-forward plan and is simply incapable of running a fair process:<sup>1</sup>

**by failing to provide shareholders with a detailed disclosure of its go-forward plan, [Icahn] is asking shareholders to simply trust that, if granted a majority, it will do the right thing. Regardless of any assurances of a fair process, that level of trust would be easier to gain were it not for the fact that the dissident is actively participating in a process to potentially acquire the company.**

Glass Lewis underscored our belief that turning over control of the Board to Icahn would end the impartial process, drive away competition, and position Icahn to consolidate control as cheaply as possible, stating:<sup>ii</sup>

**the election of any current or, indeed, former Icahn employees to the SandRidge board during an active solicitation in which Icahn may submit a bid would represent a clear deviation from foundational principles of sound corporate governance.**

If Glass Lewis and ISS can't trust Icahn to lead the Company forward, while running a thorough and impartial process, then SandRidge shareholders certainly should not.

## **PROTECT YOUR INVESTMENT IN SANDRIDGE**

### **VOTE THE WHITE PROXY CARD TODAY**

This is a critical time in SandRidge's history, and we firmly believe that we have the right team in place to effectively complete the strategic alternatives process and maximize shareholder value with your best interests in mind. **Do not be deceived by Icahn's false and misleading campaign.** A process overseen by the current Board has the highest likelihood of maximizing shareholder value relative to an Icahn nominee-run process, and **the decision to elect an independent Board is the only logical choice.**

We strongly urge you vote for **the entire slate of five highly qualified and experienced current SandRidge director nominees and two additional fully independent nominees**, as well as vote for the ratification of the short-term rights plan.

Your vote is very important no matter how many shares you own. Support your Board by voting the **WHITE** proxy card **TODAY**. Please follow the instructions on the enclosed **WHITE** proxy card to vote by telephone or Internet or sign, date and return the enclosed **WHITE** proxy card in the postage-paid envelope provided.

As always, we thank you for your investment in SandRidge, and appreciate your continued support.

Sincerely,

Sylvia K. Barnes

Independent Director

Kenneth H. Beer

Independent Director

Michael L. Bennett

Chairman of the Board

William M. Griffin, Jr.

Director and Chief Executive Officer

David J. Kornder

Independent Director

**Retain control of your investment**

**Vote the WHITE universal card TODAY**

**Vote FOR ALL 5 Highly-**

**Qualified SandRidge**

**Directors**

**FOR** Sylvia Barnes

**FOR** Kenneth Beer

**FOR** Michael Bennett

**FOR** William Bill Griffin

**FOR** David Kornder

**Vote FOR ONLY 2 of 4**

**Independent Icahn**

**Nominees**

John Jack Lipinski

Randolph Read

Bob Alexander

Nancy Dunlap

**DO NOT Support**

**Icahn's Insiders**

**AGAINST** Jonathan Christodoro

**AGAINST** Jonathan Frates

**AGAINST** Nicholas Graziano

**Independent, responsive**

and committed to

**maximizing value for all**

**shareholders**

SandRidge has already vetted

and offered to appoint **Lipinski**

and **Read** to the Board

**Inherently biased** two

employees and one recent

former employee of Icahn

**Vote FOR the Extension of the Short-term Rights Plan**

**Vote FOR the Advisory Vote on Executive Compensation**

**DO NOT turn control over to Icahn DISCARD THE GOLD CARD**

*If you have any questions or require assistance with voting your WHITE proxy card,*

*please call MacKenzie Partners at the phone numbers listed below:*

1407 Broadway

New York, New York 10018

(212) 929-5500 (Call Collect)

or

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**Call Toll-Free (800) 322-2885**

Email: [sandridge@mackenziepartners.com](mailto:sandridge@mackenziepartners.com)

### **Cautionary Statement Regarding Forward-Looking Statements**

This communication contains forward-looking statements concerning our expectations for future performance, including statements regarding the exploration of strategic alternatives, the pursuit of options that maximize shareholder value and the consideration of candidates for nomination to SandRidge's Board of Directors. These forward-looking statements are based on currently available information, operating plans and projections about future events and trends. They inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such forward looking statements. Such risks and uncertainties include, but are not limited to: uncertain outcome, impact, effects and results of SandRidge's exploration of strategic alternatives; and any changes in general economic or industry specific conditions. SandRidge cautions that the foregoing list of factors is not exclusive. Additional information concerning these and other risk factors is contained in SandRidge's public filings with the SEC, which are available at the SEC's website at [www.sec.gov](http://www.sec.gov). Each forward-looking statement speaks only as of the date of the particular statement, and SandRidge undertakes no obligation to publicly update any of these forward-looking statements to reflect events or circumstances that may arise after the date hereof.

- i Permission to use quotations neither sought nor obtained.
- ii Permission to use quotations neither sought nor obtained.