

WATSA V PREM ET AL  
Form 3  
November 12, 2010

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

(Print or Type Responses)

|   |         |          |                                      |  |  |
|---|---------|----------|--------------------------------------|--|--|
| 1. Name and Address of Reporting Person * |         |          | 2. Date of Event Requiring Statement | 3. Issuer Name <b>and</b> Ticker or Trading Symbol                               |  |
| Â FAIRFAX FINANCIAL HOLDINGS LTD/ CAN     |         |          | (Month/Day/Year)                     | SANDRIDGE ENERGY INC [SD]  |  |
| (Last)                                    | (First) | (Middle) |                                      | 4. Relationship of Reporting Person(s) to Issuer                                 | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| 95 WELLINGTON STREET WEST,Â SUITE 800     |         |          |                                      | (Check all applicable)   |  |
| (Street)                                  |         |          |                                      | <input type="checkbox"/> Director  | <input checked="" type="checkbox"/> 10% Owner        |
| TORONTO,Â A6Â M5J 2N7                     |         |          |                                      | <input type="checkbox"/> Officer   | <input type="checkbox"/> Other                       |
| (City)                                    | (State) | (Zip)    |                                      | (give title below)   | (specify below)                                      |
|   |         |          |                                      | 6. Individual or Joint/Group Filing(Check Applicable Line)                       |  |
|   |         |          |                                      | <input type="checkbox"/> Form filed by One Reporting Person                      |  |
|   |         |          |                                      | <input checked="" type="checkbox"/> Form filed by More than One Reporting Person |  |

**Table I - Non-Derivative Securities Beneficially Owned**

| 1. Title of Security<br>(Instr. 4)                | 2. Amount of Securities Beneficially Owned<br>(Instr. 4) | 3. Ownership Form:<br>Direct (D)<br>or Indirect (I)<br>(Instr. 5) | 4. Nature of Indirect Beneficial Ownership<br>(Instr. 5) |
|---|--|---|--|
| Common Stock, \$0.001 par value (?Common Shares?) | 14,203,600   | I   | See Footnote <sup>(1)</sup>                              |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security<br>(Instr. 4) | 2. Date Exercisable and Expiration Date<br>(Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security | 4. Conversion or Exercise | 5. Ownership Form of | 6. Nature of Indirect Beneficial Ownership<br>(Instr. 5) |
|---|---|--|---------------------------|----------------------|--|
|---|---|--|---------------------------|----------------------|--|

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|  | Date Exercisable | Expiration Date | (Instr. 4)<br>Title             | Amount or Number of Shares | Price of Derivative Security | Derivative Security: Direct (D) or Indirect (I)<br>(Instr. 5) |                  |
|--|------------------|-----------------|---------------------------------|----------------------------|------------------------------|---|------------------|
| 6.0% Conv. Perp. Preferred Stock (?6.0% Preferred Shares?) | Â (2)            | Â (2)           | Common Stock, \$0.001 par value | 18,422,992 (3)             | \$ (3)                       | I   | See Footnote (4) |
| 8.5% Conv. Perp. Preferred Stock (?8.5% Preferred Shares?) | Â (5)            | Â (6)           | Common Stock, \$0.001 par value | 11,388,456 (7)             | \$ (7)                       | I   | See Footnote (8) |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| FAIRFAX FINANCIAL HOLDINGS LTD/ CAN<br>95 WELLINGTON STREET WEST<br>SUITE 800<br>TORONTO,Â A6Â M5J 2N7 | Â             | Â X       | Â       | Â     |
| WATSA V PREM ET AL<br>95 WELLINGTON STREET WEST<br>SUITE 800<br>TORONTO,Â A6Â M5J 2N7                  | Â             | Â X       | Â       | Â     |
| 1109519 ONTARIO LTD<br>95 WELLINGTON STREET WEST<br>SUITE 800<br>TORONTO,Â A6Â M5J 2N7                 | Â             | Â X       | Â       | Â     |
| SIXTY TWO INVESTMENT CO LTD<br>1600 CATHEDRAL PLACE<br>925 WEST GEORGIA ST.<br>VANCOUVER,Â A1Â V6C 3L3 | Â             | Â X       | Â       | Â     |
| 810679 ONTARIO LTD<br>95 WELLINGTON STREET WEST<br>SUITE 800<br>TORONTO,Â A6Â M5J 2N7                  | Â             | Â X       | Â       | Â     |
| FAIRFAX INC<br>300 FIRST STAMFORD PLACE<br>STAMFORD,Â CTÂ 06902  | Â             | Â X       | Â       | Â     |
| ODYSSEY AMERICA REINSURANCE CORP<br>300 FIRST STAMFORD PLACE<br>STAMFORD,Â CTÂ 06902                   | Â             | Â X       | Â       | Â     |
|  | Â             | Â X       | Â       | Â     |

TIG INSURANCE CO  
5205 NORTH O'CONNOR BLVD.  
IRVING, TX 75039

## Signatures

|   |            |
|---|------------|
| /s/ Paul Rivett, Vice President and Chief Legal Officer | 11/10/2010 |
| __Signature of Reporting Person                         | Date       |
| /s/ V. Prem Watsa                                       | 11/10/2010 |
| __Signature of Reporting Person                         | Date       |
| /s/ V. Prem Watsa, President                            | 11/10/2010 |
| __Signature of Reporting Person                         | Date       |
| /s/ V. Prem Watsa, President                            | 11/10/2010 |
| __Signature of Reporting Person                         | Date       |
| /s/ V. Prem Watsa, President                            | 11/10/2010 |
| __Signature of Reporting Person                         | Date       |
| /s/ Bradley P. Martin, Vice President                   | 11/10/2010 |
| __Signature of Reporting Person                         | Date       |
| /s/ Kirk Reische, Vice President                        | 11/10/2010 |
| __Signature of Reporting Person                         | Date       |
| /s/ John. J. Bator, Chief Financial Officer             | 11/11/2010 |
| __Signature of Reporting Person                         | Date       |

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
  - (1) 1277,000 Common Shares are held directly by V. Prem Watsa, 1,440,000 Common Shares are held by Fairfax Inc., 711,400 Common Shares are held by Markel Insurance Company of Canada, 409,000 Common Shares are held by Federated Insurance Company of Canada, 1,112,800 Common Shares are held by Commonwealth Insurance Company, 2,845,400 Common Shares are held by Lombard General Insurance Company of Canada, 202,800 Common Shares are held by United States Fire Insurance Company, 962,000 Common Shares are held by The North River Insurance Company and its subsidiaries, 243,000 Common Shares are held by TIG Insurance Company, 1,000,000 Common Shares are held by Zenith Insurance Company, 4,619,200 Common Shares are held by Odyssey America Reinsurance Corporation and its subsidiaries, 80,000 Common Shares are held by Falcon Insurance Company (Hong Kong) Ltd. and 301,000 Common Shares are held by certain other subsidiaries of Fairfax Financial Holdings Limited.
  - (2) The 6.0% Preferred Shares are convertible into Common Shares at the option of the holder thereof at any time prior to December 21, 2014, on which date the 6.0% Preferred Shares will be automatically converted into Common Shares.
  - (3) Each 6.0% Preferred Share is convertible into approximately 9.21 Common Shares, subject to adjustment under certain circumstances.
    - (4) 70,000 6.0% Preferred Shares are held by Markel Insurance Company of Canada, 40,000 6.0% Preferred Shares are held by Federated Insurance Company of Canada, 110,000 6.0% Preferred Shares are held by Commonwealth Insurance Company, 240,000 6.0% Preferred Shares are held by Lombard General Insurance Company of Canada, 500,000 6.0% Preferred Shares are held by Fairfax Inc., 250,000 6.0% Preferred Shares are held by The North River Insurance Company, 750,000 6.0% Preferred Shares are held by Odyssey America Reinsurance Corporation and 40,000 6.0% Preferred Shares held by pension plans of certain other subsidiaries of Fairfax Financial Holdings Limited.
  - (5) The 8.5% Preferred Shares are convertible at any time at the holder's option.
  - (6) After February 20, 2014, Sandridge Energy Inc. may cause all outstanding 8.5% Preferred Shares to automatically convert into Common Shares at the then-prevailing conversion rate if certain conditions are met.

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- (7) Each 8.5% Preferred Share is convertible into 12.4805 Common Shares, subject to adjustment under certain circumstances.

57,600 8.5% Preferred Shares are held by United States Fire Insurance Company, 88,800 8.5% Preferred Shares are held by The North River Insurance Company and its subsidiaries, 69,000 8.5% Preferred Shares are held by TIG Insurance Company, 496,200 8.5%

- (8) Preferred Shares are held by Odyssey America Reinsurance Corporation and its subsidiaries, 22,700 8.5% Preferred Shares are held by Falcon Insurance Company (Hong Kong) Ltd., 169,600 8.5% Preferred Shares are held by certain other subsidiaries of Fairfax Financial Holdings Limited and 8,600 8.5% Preferred Shares are held by pension plans of certain other subsidiaries of Fairfax Financial Holdings Limited.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.

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