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Ring Energy Increases Fourth Quarter 2021 Sales Guidance, Summarizes Successful 2021 Drilling Program and Discusses 2022 Drilling Plans

THE WOODLANDS, Texas, Dec. 16, 2021 (GLOBE NEWSWIRE) -- Ring Energy, Inc. (NYSE American: REI) ("Ring" or the "Company") today announced an increase to its fourth quarter 2021 sales guidance, summarized its successful 2021 drilling program and provided an outlook on its 2022 drilling program.

Key Highlights

- Increased fourth quarter 2021 sales guidance to 9,000 to 9,300 barrels of oil equivalent per day ("Boepd"), with 85% being oil sales due to the strong production performance in October and November from the four wells included in the Phase III program, as well as recent positive initial results from the two wells included in the Phase IV program;
- Completion of Phase IV program marks the culmination of a successful 2021 development campaign;
 - Drilled 11 wells, including eight in the Northwest Shelf ("NWS") and three in the Central Basin Platform ("CBP");
 - Completed 13 wells, including 10 in the NWS and three in the CBP;
- Preparing to run a continuous one-rig drilling program throughout 2022 beginning late in the first quarter of 2022.

Paul D. McKinney, Chairman of the Board and Chief Executive Officer, commented, "Responding to an improving oil price environment late last year, we launched the first phase of our 2021 drilling program. During 2021, we successfully drilled 11 wells and completed 13 wells that targeted our highest rate-of-return inventory. Our execution of a methodical and phased drilling program while maintaining a low cost structure and a disciplined capital strategy allowed us to generate more than \$11 million of free cash flow and pay down \$18 million of debt during the first nine months of the year, and we expect continued free cash generation and debt reduction during the fourth quarter of 2021. The positive results from our Phase III and Phase IV drilling programs is the primary reason for the increase to our fourth quarter 2021 sales guidance of 9,000 to 9,300 Boepd, which includes 7,650 to 7,900 barrels of oil per day ("Bopd")."

McKinney concluded, "The success of our Phase III and Phase IV drilling programs further strengthens our position to capitalize on continued strong oil pricing as we enter 2022. As we have reminded our shareholders in the past, the majority of our low-priced hedges roll off at the end of 2021 and we anticipate substantially higher revenue and cash flow for 2022.

Our primary goal in 2021 was to maintain production and generate free cash flow to reduce our long-term debt. For 2022, we will continue to focus on improving our leverage metrics but will place additional emphasis on increasing our total production by maintaining a one-rig continuous development drilling program for a majority of the year focused on the best opportunities of our high rate-of-return drilling inventory. We will remain focused on controlling costs and maximizing cash flows that can be used to further strengthen the balance sheet and prudently grow the business.”

About Ring Energy, Inc.

Ring Energy, Inc. is an oil and gas exploration, development, and production company with current operations focused on the conventional development of its Permian Basin assets in West Texas and New Mexico. For additional information, please visit www.ringenergy.com.

Safe Harbor Statement

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements involve a wide variety of risks and uncertainties, and include, without limitations, statements with respect to the Company’s strategy and prospects. Such statements are subject to certain risks and uncertainties which are disclosed in the Company’s reports filed with the SEC, including its Form 10-K for the fiscal year ended December 31, 2020, and its other filings with the SEC. Readers and investors are cautioned that the Company’s actual results may differ materially from those described in the forward-looking statements due to a number of factors, including, but not limited to, the Company’s ability to acquire productive oil and/or gas properties or to successfully drill and complete oil and/or gas wells on such properties, general economic conditions both domestically and abroad, and the conduct of business by the Company, and other factors that may be more fully described in additional documents set forth by the Company.

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