October 13, 2022

Ring Energy Provides Operational Update, Revised Fourth Quarter Guidance & Initial Outlook for 2023

THE WOODLANDS, Texas, Oct. 13, 2022 (GLOBE NEWSWIRE) -- Ring Energy, Inc. (NYSE American: REI) ("Ring" or the "Company") today provided an operational update for the third quarter and full year 2022, revised guidance for the fourth quarter of 2022, and an initial outlook for the 2023 full year that reflects the previously announced completion of its acquisition (the "Transaction") of the assets of privately held Stronghold Energy II Operating, LLC and Stronghold Energy II Royalties, LP (collectively, "Stronghold").

OPERATIONAL HIGHLIGHTS

- Continued the successful execution of its 2022 development program, including:
  - Drilled eight horizontal ("Hz") wells during Q3 2022 with five in the Northwest Shelf ("NWS") and three in the Central Basin Platform ("CBP") bringing the total number of horizontal wells drilled in 2022 to 23;
  - Completed and placed on production nine Hz wells of which four were drilled in Q2 2022 and five were drilled in Q3 2022;
  - Performed three recompletions on the Stronghold acquisition acreage ("CBP South"); and
  - Converted six wells with electrical submersible pumps to rod pumps ("CTRs") on horizontal wells, including five in NWS and one in legacy CBP acreage ("CBP North").

REVISED 4Q 2022 GUIDANCE

- Reduced capital guidance 15% and maintained production guidance:
  - Lowered its estimate of capital expenditures for the fourth quarter of 2022 to $42 million to $46 million, down about 15% from the prior estimate of $50 million to $54 million;
    - Complete and place on production the remaining three wells drilled in Q3 2022;
    - Drill and complete eight to nine new wells, including four Hz wells with two in NWS and two in CBP North, and four to five vertical wells in CBP South;
    - Recomplete eight to 12 wells in CBP South; and
  - Reiterated its prior fourth quarter sales volumes estimate of 18,000 to 19,000 barrels of oil equivalent per day ("Boepd") (approximately 70% oil, 17% natural gas and 13% natural gas liquids ("NGLs")), despite the reduction in estimated

fourth quarter capital expenditures.

2023 OUTLOOK

- Provided a preliminary outlook for full year 2023, which includes:
    - Estimated capital expenditures of $150 million to $175 million that include:
        - Balanced and capital efficient combination of drilling Hz wells on legacy assets and vertical wells on the recently acquired CBP South assets;
        - Performing recompletions and CTRs;
        - All projects and estimates based on assumed WTI oil prices of $75 to $90 per barrel and Henry Hub natural gas prices of $5 to $6 per Mcf; and
    - Plans to maintain or slightly grow 2023 full year average sales volumes compared to anticipated Q4 2022 sales volumes.

Mr. Paul D. McKinney, Chairman of the Board and Chief Executive Officer, commented, “In advance of reporting our full operational and financial performance for the third quarter next month, we wanted to update our shareholders on our operational highlights and provide revised fourth quarter 2022 guidance and a preliminary outlook for 2023.

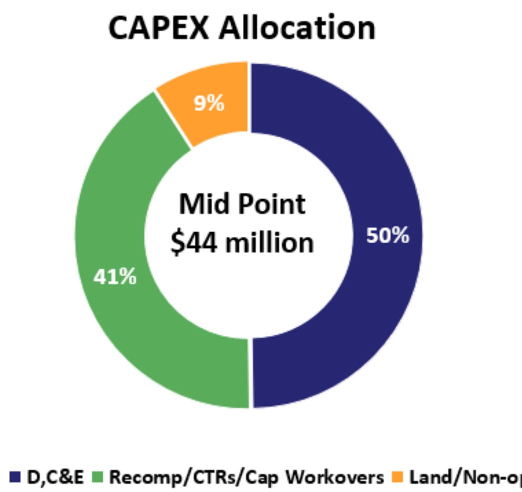
“During the third quarter, we continued our highly successful 2022 development program by drilling eight and completing nine horizontal wells on our legacy acreage and performing three recompletions on the newly acquired Stronghold acreage. Combined with our continued focus on promoting operating efficiencies throughout the business, the results of our program have met or exceeded expectations.

“As we have discussed in the past, the acquisition of the Stronghold assets places us in a much stronger position for continued success through further diversification of our commodity mix, margin enhancing ownership, and enhanced free cash flow. Another benefit we have discussed is the increased capital efficiency of the combined portfolio. As we allocate capital to our materially expanded inventory of high rate-of-return drilling and recompletion projects, we have an enhanced opportunity to optimize our future free cash flow, which will allow us to pay down debt at a faster rate than we could have done on a standalone basis. Our improved capital efficiency is reflective in our fourth quarter guidance in which we decreased our capital spending expectations from when we announced the acquisition but have maintained our prior outlook for fourth quarter sales volumes. This is a direct result of the low cost, high rate of return, and capital efficient opportunities that were acquired with the Stronghold assets.

“Because we anticipate commodity price volatility will continue into 2023, we are designing next year’s capital program with the flexibility to respond to the marketplace. And while the recent acquisition improved our balance sheet and reduced our leverage ratio, we believe our absolute debt levels justify continued focus on rapidly paying down debt. The initial goal for 2023 will be to maintain or slightly grow our average daily sales volumes from the levels we expect to achieve in 4Q 2022 and allocate excess free cash flow to paying down debt in a $75 to $90 per barrel of oil price environment. If oil prices trend upward from that range, we will have the flexibility to allocate our cash flow to the opportunities that maximize shareholder value, whether it is to accelerate debt repayment, increase capital spending to organically grow production, continue our pursuit of strategic and accretive acquisitions, or the return of capital through a stock buy-back program or dividends. We look forward to discussing this in more detail as we further develop our plans for next year."

4Q 2022 GUIDANCE

Sales Volumes	
Total (Boe/d)	18,000 – 19,000
Oil (Bo/d) ~70%	12,600 – 13,300
Gas (Mcf/d) ~17%	18,400 – 19,400
NGLs (Bbls/d) ~ 13%	2,300 – 2,500
Capital Spending	
Capital spending[1] (millions)	$42 – $46
New Horizontal (Hz) wells drilled	4
New Vertical wells drilled	4 – 5
New Hz wells completed and online	7
New Vertical wells completed and online	2 – 3
Operating Expenses	
LOE (per Boe)	$10.25 – $11.40



1. In addition to Company-directed drilling and completion activities, the capital spending outlook includes funds for targeted well reactivations, recompletions, workovers, infrastructure upgrades, and continuing the Company's successful CTR program in its NWS and CBP areas. Also included is anticipated spending for lease costs, contractual drilling obligations and non-operated drilling, completion and capital workovers.

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 that are disclosed in the Company's reports filed with the SEC, including its Form 10-K for the fiscal year ended December 31, 2021, 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 successfully drill and complete oil and/or gas wells on its properties and to integrate successfully the recent acquired Stronghold assets, continued, volatile prices for oil and natural gas and significant price downturns, general economic conditions both domestically and abroad, and other factors that may be more fully described in additional documents set forth by the Company.

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