

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
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): **December 23, 2020**

**Ring Energy, Inc.**

(Exact name of registrant as specified in its charter)

**Nevada**  
(State or other jurisdiction of  
incorporation)

**001-36057**  
(Commission File Number)

**90-0406406**  
(I.R.S. Employer Identification No.)

**901 West Wall St. 3<sup>rd</sup> Floor**  
**Midland, TX** **79701**  
(Address of principal executive offices) (Zip Code)

**(432) 682-7464**  
(Registrant's telephone number, including area code)

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 Instruction 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.

Securities registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Common Stock, \$0.001 par value	REI	NYSE American

**Item 1.01 Entry into a Material Definitive Agreement**

On December 23, 2020, Ring Energy, Inc. (the “Company”) entered into the Third Amendment (the “Amendment”) to its Amended and Restated Credit Agreement, dated as of April 9, 2019 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), by and among the Company, as borrower, Truist Bank as Administrative Agent, and the lenders from time to time party thereto.

The Amendment, among other things: (i) added a definition for “Fall 2020 Borrowing Base Hedges,” which specifies permitted hedging transactions for calendar years 2021 and 2022; (ii) requires that the Company enter into the Fall 2020 Borrowing Base Hedges on or before January 22, 2021 and specifies that after entering into any Fall 2020 Borrowing Base Hedges, the Company will maintain such hedges in effect and may not terminate or otherwise monetize such hedges; (iii) states that, beginning with the fiscal quarter ending June 30, 2019, the Company will not, (A) as of the last day of any fiscal quarter (other than the fiscal quarter ending September 30, 2020 and the fiscal quarter ending March 31, 2021), permit its leverage ratio to be greater than 4.0 to 1.0, (B) as of the last day of the fiscal quarter ending September 30, 2020, permit its leverage ratio to be greater than 4.75 to 1.0, and (C) as of the last day of the fiscal quarter ending March 31, 2021, permit its leverage ratio to be greater than 4.25 to 1.0; and (iv) reduced the borrowing base under the Credit Agreement to \$350 million until the next scheduled redetermination to occur on or around May 1, 2021.

The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by reference to the Amendment, which is attached hereto as Exhibit 10.1 and incorporated by reference herein.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement of a Registrant**

The information set forth in Item 1.01 is incorporated herein by reference to this Item 2.03.

**Item 7.01 Regulation FD Disclosure**

On December 23, 2020, the Company issued a press release announcing (i) the results of the fall 2020 redetermination of the Credit Agreement, (ii) that the Company paid down an additional \$45 million against the Credit Agreement, and (iii) the addition of oil hedges for calendar years 2021 and 2022. A copy of the press release is included as Exhibit 99.1 to this Current Report on Form 8-K.

The information set forth under Item 1.01 and Item 2.03 of this Current Report on Form 8-K are hereby incorporated in this Item 7.01 by reference.

The information in Item 1.01, Item 2.03 and Item 7.01 of this Current Report on Form 8-K, including the attached Exhibit 10.1 and Exhibit 99.1, is being furnished pursuant to Item 1.01, Item 2.03 and Item 7.01 and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference into any of the Company’s filings under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Title of Document</u>
10.1	<a href="#"><u>Third Amendment to Amended and Restated Credit Agreement, dated as of December 23, 2020, by and among Ring Energy, Inc. as borrower, Truist Bank as Administrative Agent, and the lenders from time to time party thereto.</u></a>
99.1	<a href="#"><u>Press Release, dated December 23, 2020.</u></a>

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**SIGNATURES**

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 hereunto duly authorized.

**Ring Energy, Inc.**

Date: December 29, 2020

By: /s/ William R. Broaddrick  
William R. Broaddrick  
Chief Financial Officer

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**THIRD AMENDMENT TO  
AMENDED AND RESTATED CREDIT AGREEMENT**

**THIS THIRD AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT** (hereinafter called this "**Amendment**") is dated as of December 23, 2020, by and among RING ENERGY INC., a Nevada corporation (the "**Borrower**"), each of the Lenders which is signatory hereto, and TRUIST BANK, successor by merger to SunTrust Bank, as Administrative Agent for the Lenders (in such capacity, together with its successors in such capacity "**Administrative Agent**") and as Issuing Bank under the Credit Agreement referred to below.

**WITNESSETH:**

WHEREAS, the Borrower, Administrative Agent and the Lenders are parties to that certain Amended and Restated Credit Agreement dated as of April 9, 2019, as amended by that certain First Amendment to Amended and Restated Credit Agreement dated as of November 27, 2019, and that certain Second Amendment to Amended and Restated Credit Agreement dated as of June 17, 2020 (as amended by this Amendment and as further amended, modified or restated from time to time, the "**Credit Agreement**"), whereby upon the terms and conditions therein stated the Lenders have agreed to make certain loans to the Borrower upon the terms and conditions set forth therein;

WHEREAS, the Borrower has requested that the Lenders amend the Credit Agreement as set forth below; and

WHEREAS, subject to the terms and conditions hereof, the Lenders are willing to agree to the amendments to the Credit Agreement as set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, the parties to this Amendment hereby agree as follows:

**SECTION 1. Definitions.** Unless otherwise defined in this Amendment, each capitalized term used herein but not otherwise defined herein has the meaning given such term in the Credit Agreement. The interpretive provisions set forth in Sections 1.2, 1.3 and 1.4 of the Credit Agreement shall apply to this Amendment.

**SECTION 2. Amendments to Credit Agreement.** Effective on the Amendment Effective Date, the Credit Agreement is hereby amended as follows:

(a) Section 1.1 of the Credit Agreement is amended by inserting the following definition in proper alphabetical order:

"**Fall 2020 Borrowing Base Hedges**" means, collectively, (a) Hedging Transactions at prices reasonably acceptable to the Administrative Agent in respect of crude oil on 8,500 barrels per day for the period of January 1, 2021 to December 31, 2021 (which shall be apportioned in such period in a manner reasonably acceptable to the Administrative Agent); provided that not less than 4,000 of such barrels per day shall be pursuant to Hedging Transactions in the form of commodity swap transactions and (b) Hedging Transactions in the form of commodity swap transactions at prices reasonably acceptable to the Administrative Agent in respect of crude oil on 4,000 barrels per day for the period of January 1, 2022 to December 31, 2022 (which shall be apportioned in such period in a manner reasonably acceptable to the Administrative Agent).

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(b) Section 1.1 of the Credit Agreement is amended by deleting the following definitions: "Borrowing Base Deficiency Early Cure Amount", "Delaware Basin Oil and Gas Properties", and "Delaware Basin Oil and Gas Properties PSA".

(c) Section 5.21 of the Credit Agreement is amended and restated in its entirety as follows:

"**Section 5.21 Fall 2020 Borrowing Base Hedges.** The Borrower shall enter into all of the Fall 2020 Borrowing Base Hedges on or before January 22, 2021 (which deadline may be extended by the Administrative Agent in its sole discretion for additional thirty (30) day periods). After entering into any Fall 2020 Borrowing Base Hedges, the Borrower will thereafter maintain such Fall 2020 Borrowing Base Hedges in effect and not terminate or otherwise monetize such Fall 2020 Borrowing Base Hedges."

(d) Section 6.1 of the Credit Agreement is amended and restated in its entirety as follows:

"**Section 6.1 Leverage Ratio.** Beginning with the fiscal quarter ending June 30, 2019, the Borrower will not, (a) as of the last day of any fiscal quarter (other than the fiscal quarter ending September 30, 2020 and the fiscal quarter ending March 31, 2021), permit its Leverage Ratio to be greater than 4.0 to 1.0, (b) as of the last day of the fiscal quarter ending September 30, 2020, permit its Leverage Ratio to be greater than 4.75 to 1.0 and (c) as of the last day of the fiscal quarter ending March 31, 2021, permit its Leverage Ratio to be greater than 4.25 to 1.0."

(e) Section 7.4 of the Credit Agreement is amended as follows:

- (1) Section 7.4(g) of the Credit Agreement is amended by inserting "and" at the end thereof.
- (2) Section 7.4(h) of the Credit Agreement is amended by deleting the "; and" at the end thereof and replacing it with a period.
- (3) Section 7.4 of the Credit Agreement is amended deleting clause (i).

(f) Section 7.6 of the Credit Agreement is amended as follows:

- (1) Section 7.6(c) of the Credit Agreement is amended by deleting "(other than the Delaware Basin Oil and Gas Properties)" after the words "or any interest therein".
- (2) Section 7.6 of the Credit Agreement is amended by deleting clause (d).

**SECTION 3. Borrowing Base Scheduled Redetermination; Additional Adjustment.** Effective on the Amendment Effective Date, the Borrowing Base is decreased to \$350,000,000 until the next redetermination or adjustment thereof pursuant to the Credit Agreement. The Borrowing Base redetermination provided for by this Amendment is the Scheduled Redetermination for November 1, 2020, which Schedule Redetermination was postponed to December 1, 2020 pursuant to that certain Consent, dated October 28, 2020, from Administrative Agent to the Borrower. This Amendment shall serve as a New Borrowing Base Notice under the Credit Agreement.

**SECTION 4. Conditions of Effectiveness**

(a) This Amendment shall become effective as of the date (the "**Amendment Effective Date**") that each of the following conditions precedent shall have been satisfied:

( 1 ) The Administrative Agent shall have received (which may be by electronic transmission), in form and substance satisfactory to the Administrative Agent, a counterpart of this Amendment which shall have been executed by the Administrative Agent, the Issuing Bank, the Lenders and the Borrower (which may be by PDF transmission); and

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( 2 ) Borrower shall have paid all fees and expenses due to the Lenders and the Administrative Agent (including, but not limited to, reasonable attorneys' fees of counsel to the Administrative Agent), in each case, for which invoices were submitted at least one (1) Business Day prior to the Amendment Effective Date; and

( 3 ) The Administrative Agent shall be reasonably satisfied that the Borrower has entered into and is party to (x) Hedging Transactions at prices reasonably acceptable to the Administrative Agent in respect of crude oil on not less than 8,500 barrels per day for the period of January 1, 2021 to December 31, 2021 (which shall be apportioned in such period in a manner reasonably acceptable to the Administrative Agent); provided that not less than 4,000 of such barrels per day shall be pursuant to Hedging Transactions in the form of commodity swap transactions and (y) Hedging Transactions in the form of commodity swap transactions at prices reasonably acceptable to the Administrative Agent in respect of crude oil on not less than 1,000 barrels per day for the period of January 1, 2022 to December 31, 2022 (which shall be apportioned in such period in a manner reasonably acceptable to the Administrative Agent).

( b ) Without limiting the generality of the provisions of Sections 3.1 and 3.2 of the Credit Agreement, for purposes of determining compliance with the conditions specified in **Section 4(a)**, each Lender that has signed this Amendment (and its permitted successors and assigns) shall be deemed to have consented to, approved or accepted, or to be satisfied with, each document or other matter required hereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received written notice from such Lender prior to the proposed Amendment Effective Date specifying its objection thereto.

(c) The Administrative Agent shall notify the Borrower and the Lenders of the Amendment Effective Date.

**SECTION 5. Representations and Warranties.** The Borrower represents and warrants to Administrative Agent and the Lenders, with full knowledge that such Persons are relying on the following representations and warranties in executing this Amendment, as follows:

(a) It has the organizational power and authority to execute, deliver and perform this Amendment, and all organizational action on the part of it requisite for the due execution, delivery and performance of this Amendment has been duly and effectively taken.

( b ) The Credit Agreement, as amended by this Amendment, the Loan Documents and each and every other document executed and delivered to the Administrative Agent and the Lenders in connection with this Amendment to which it is a party constitute the legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability.

(c) This Amendment does not and will not conflict with any provisions of any of the articles or certificate of incorporation, bylaws, and other organizational and governing documents of the Borrower.

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( d ) No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority is necessary or required in connection with the execution, delivery or performance by, or enforcement against, the Borrower of this Amendment.

( e ) At the time of and immediately after giving effect to this Amendment, the representations and warranties of the Borrower contained in Article IV of the Credit Agreement or in any other Loan Document are true and correct in all material respects (other than those representations and warranties that are expressly qualified by a Material Adverse Effect or other materiality, in which case such representations and warranties shall be true and correct in all respects), except that any representation and warranty which by its terms is made as of a specified date shall be required to be so true and correct in all material respects only as of such specified date.

(f) At the time of and immediately after giving effect to this Amendment, no Default, Event of Default or Borrowing Base Deficiency exists.

(g) Since December 31, 2019, there has been no event or circumstance which has had or could reasonably be expected to have a Material Adverse Effect.

(h) As of the Amendment Effective Date, notwithstanding any provision in any Collateral Document to the contrary, no Building (as defined in the applicable Flood Insurance Regulation) or Manufactured (Mobile) Home (as defined in the applicable Flood Insurance Regulation) included in the definition of "Mortgaged Property" or "collateral" or similar definition in any Collateral Document and no Building or Manufactured (Mobile) Home is encumbered by any Collateral Document. As used in this paragraph, "Building" means any Building or Manufactured (Mobile) Home, in each case as defined in the applicable Flood Insurance Regulations); and "Flood Insurance Regulations" means (I) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (II) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (III) the National Flood Insurance Reform Act of 1994 (amending 42 USC § 4001, et seq.), as the same may be amended or recodified from time to time, and (IV) the Flood Insurance Reform Act of 2004 and any regulations promulgated thereunder.

**SECTION 6. Miscellaneous.**

( a ) **Reference to the Credit Agreement.** Upon the effectiveness hereof, on and after the date hereof, each reference in the Credit Agreement to "this Agreement," "hereunder," "hereof," "herein," or words of like import, shall mean and be a reference to the Credit Agreement as amended hereby.

( b ) **Effect on the Credit Agreement; Ratification.** Except as specifically amended by this Amendment, the Credit Agreement shall remain in full force and effect and is hereby ratified and confirmed. By its acceptance hereof, the Borrower hereby ratifies and confirms each Loan Document to which it is a party in all respects, after giving effect to the amendments set forth herein.

(c) **Extent of Amendments.** Except as otherwise expressly provided herein, the Credit Agreement and the other Loan Documents are not amended, modified or affected by this Amendment. The Borrower hereby ratifies and confirms that (i) except as expressly amended hereby, all of the terms, conditions, covenants, representations, warranties and all other provisions of the Credit Agreement remain in full force and effect, (ii) each of the other Loan Documents are and remain in full force and effect in accordance with their respective terms, and (iii) the Collateral and the Liens on the Collateral securing the Obligations are unimpaired by this Amendment and remain in full force and effect.

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(d) **Loan Documents.** The Loan Documents, as such may be amended in accordance herewith, are and remain legal, valid and binding obligations of the parties thereto, enforceable in accordance with their respective terms. This Amendment is a Loan Document.

(e) **Claims.** As additional consideration to the execution, delivery, and performance of this Amendment by the parties hereto and to induce Administrative Agent and Lenders to enter into this Amendment, the Borrower represents and warrants that, as of the date hereof, it does not know of any defenses, counterclaims or rights of setoff to the payment of any Obligations of the Borrower to Administrative Agent, Issuing Bank or any Lender.

(f) **Execution and Counterparts.** This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of this Amendment by facsimile or pdf shall be equally as effective as delivery of a manually executed counterpart.

(g) **Governing Law.** This Amendment and any claims, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Amendment and the transactions contemplated hereby and thereby shall be construed in accordance with and be governed by the law (without giving effect to the conflict of law principles thereof) of the State of Texas.

(h) **Headings.** Section headings in this Amendment are included herein for convenience and reference only and shall not constitute a part of this Amendment for any other purpose.

**SECTION 7. NO ORAL AGREEMENTS. THE RIGHTS AND OBLIGATIONS OF EACH OF THE PARTIES TO THE LOAN DOCUMENTS SHALL BE DETERMINED SOLELY FROM WRITTEN AGREEMENTS, DOCUMENTS, AND INSTRUMENTS, AND ANY PRIOR ORAL AGREEMENTS BETWEEN SUCH PARTIES ARE SUPERSEDED BY AND MERGED INTO SUCH WRITINGS. THIS AMENDMENT AND THE OTHER WRITTEN LOAN DOCUMENTS EXECUTED BY THE BORROWER, ADMINISTRATIVE AGENT, ISSUING BANK AND/OR LENDERS REPRESENT THE FINAL AGREEMENT BETWEEN SUCH PARTIES, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS BY SUCH PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN SUCH PARTIES.**

**SECTION 8. No Waiver.** The Borrower hereby agrees that no Event of Default and no Default has been waived or remedied by the execution of this Amendment by the Administrative Agent or any Lender. Nothing contained in this Amendment nor any past indulgence by the Administrative Agent, Issuing Bank or any Lender, nor any other action or inaction on behalf of the Administrative Agent, Issuing Bank or any Lender, (i) shall constitute or be deemed to constitute a waiver of any Defaults or Events of Default which may exist under the Credit Agreement or the other Loan Documents, or (ii) shall constitute or be deemed to constitute an election of remedies by the Administrative Agent, Issuing Bank or any Lender, or a waiver of any of the rights or remedies of the Administrative Agent, Issuing Bank or any Lender provided in the Credit Agreement, the other Loan Documents, or otherwise afforded at law or in equity.

*Signatures Pages Follow*

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**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

**RING ENERGY INC.,**  
as Borrower

By: /s/ William R. Broadrick  
William R. Broadrick  
Vice President and Chief Financial Officer

Signature Page to Amendment to Amended and Restated Credit Agreement  
Ring Energy, Inc.

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**TRUIST BANK, SUCCESSOR BY MERGER TO SUNTRUST BANK,**  
as Administrative Agent, as Issuing Bank and as a Lender

By: /s/ Benjamin L. Brown  
Name: Benjamin L. Brown  
Title: Director

Signature Page to Amendment to Amended and Restated Credit Agreement  
Ring Energy, Inc.

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**BBVA USA,**  
as a Lender

By: /s/ Julia Barnhill  
Name: Julia Barnhill

Title: Vice President

Signature Page to Amendment to Amended and Restated Credit Agreement  
Ring Energy, Inc.

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**IBERIABANK,**  
as a Lender

By: /s/ W. Bryan Chapman  
Name: W. Bryan Chapman  
Title: Market President-Energy Lending

Signature Page to Amendment to Amended and Restated Credit Agreement  
Ring Energy, Inc.

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**BMO HARRIS BANK, N.A.,**  
as a Lender

By: /s/ Hill Taylor  
Name: Hill Taylor  
Title: Vice President

Signature Page to Amendment to Amended and Restated Credit Agreement  
Ring Energy, Inc.

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**CANADIAN IMPERIAL BANK OF COMMERCE, NEW YORK BRANCH,**  
as a Lender

By: /s/ Donovan C. Broussard  
Name: Donovan C. Broussard  
Title: Authorized Signatory

By: /s/ Jacob W. Lewis  
Name: Jacob W. Lewis  
Title: Authorized Signatory

Signature Page to Amendment to Amended and Restated Credit Agreement  
Ring Energy, Inc.

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**KEYBANK NATIONAL ASSOCIATION,**  
as a Lender

By: /s/ George E. McKean  
Name: George E. McKean  
Title: Senior Vice President

Signature Page to Amendment to Amended and Restated Credit Agreement  
Ring Energy, Inc.

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**ZIONS BANCORPORATION, N.A. DBA AMEGY BANK,**  
as a Lender

By: /s/ John Moffitt  
Name: John Moffitt

Title: Senior Vice President

Signature Page to Amendment to Amended and Restated Credit Agreement  
Ring Energy, Inc.

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**U.S. BANK NATIONAL ASSOCIATION,**  
as a Lender

By: /s/ Bruce Hernandez  
Name: Bruce Hernandez  
Title: Senior Vice President

Signature Page to Amendment to Amended and Restated Credit Agreement  
Ring Energy, Inc.

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**CADENCE BANK,**  
as a Lender

By: /s/ Anthony Blanco  
Name: Anthony Blanco  
Title: Senior Vice President

Signature Page to Amendment to Amended and Restated Credit Agreement  
Ring Energy, Inc.

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**CROSSFIRST BANK,**  
as a Lender

By: /s/ Chris Cardoni  
Name: Chris Cardoni  
Title: President, Energy Bank

Signature Page to Amendment to Amended and Restated Credit Agreement  
Ring Energy, Inc.

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**FOR IMMEDIATE RELEASE**

December 23, 2020

NYSE American: REI

**RING ENERGY, INC., ANNOUNCES RESULTS OF FALL 2020  
REDETERMINATION OF ITS SENIOR CREDIT FACILITY***Company Also Pays Down Revolver and Adds Additional Oil Hedges*

Midland, TX, December 23, 2020 – Ring Energy, Inc. (NYSEAM: REI) (“Ring” or the “Company”) announced today the results of its fall 2020 redetermination of its \$1 billion senior revolving credit facility (“Credit Facility”). The borrowing base was set at \$350 million, or approximately 6.7% lower than its previous borrowing base of \$375 million. The next regularly scheduled bank redetermination will be on or around May 1, 2021.

Management also announced that the Company paid down an additional \$45 million against the Credit Facility, or 12.5% from the \$360 million drawn as of September 30, 2020. This leaves the current amount drawn at \$315 million dollars and approximately \$35 million in available liquidity (plus cash on hand).

Additionally, the Company provided an update to their oil hedges for calendar years 2021 and 2022. The Company added 1,500 barrels of oil per day (“Bopd”) in additional oil hedges consisting of three 500 Bopd swaps at \$45.45, \$45.60, and \$45.96 per barrel of oil, respectively. This brings the total amount of oil hedged for calendar year 2021 to 9,000 Bopd, a 50/50 balance of collars and swaps. The Company also secured four oil hedges for calendar year 2022, three 500 Bopd swaps at \$44.22, \$44.75, and \$44.97 per barrel of oil, respectively, and one 250 Bopd swap at \$45.98 per barrel of oil. A complete summary of the Company’s hedge positions for 2021 and 2022 are listed in the table below.

	Commodity	Effective Date	End Date	Volume	Structure	Swap Price	Floor Price	Ceiling Price
				(Bopd)				
2021	WTI - Crude	1/1/2021	12/31/2021	1,000	Costless Collar	- \$	45.00	\$ 52.71
	WTI - Crude	1/1/2021	12/31/2021	1,000	Costless Collar	- \$	45.00	\$ 55.08
	WTI - Crude	1/1/2021	12/31/2021	1,000	Costless Collar	- \$	40.00	\$ 55.08
	WTI - Crude	1/1/2021	12/31/2021	1,500	Costless Collar	- \$	40.00	\$ 55.35
	WTI - Crude	1/1/2021	12/31/2021	2,000	Swap	\$ 45.37	-	-
	WTI - Crude	1/1/2021	12/31/2021	500	Swap	\$ 45.38	-	-
	WTI - Crude	1/1/2021	12/31/2021	500	Swap	\$ 45.00	-	-
	WTI - Crude	1/1/2021	12/31/2021	500	Swap	\$ 45.45	-	-
	WTI - Crude	1/1/2021	12/31/2021	500	Swap	\$ 45.60	-	-
	WTI - Crude	1/1/2021	12/31/2021	500	Swap	\$ 45.96	-	-
				(MMBtu/d)				
	HH-Nat Gas	1/1/2021	12/31/2021	6,000	Swap	\$ 2.991	-	-
2022	WTI - Crude	1/1/2022	12/31/2022	500	Swap	\$ 44.22	-	-
	WTI - Crude	1/1/2022	12/31/2022	500	Swap	\$ 44.75	-	-
	WTI - Crude	1/1/2022	12/31/2022	500	Swap	\$ 44.97	-	-
	WTI - Crude	1/1/2022	12/31/2022	250	Swap	\$ 45.98	-	-
				(MMBtu/d)				
	HH-Nat Gas	1/1/2022	12/31/2022	5,000	Swap	\$ 2.726	-	-

Mr. Paul D. McKinney, Ring’s Chief Executive Officer and Chairman of the Board of Directors, stated, “Strengthening our balance sheet remains our primary focus and despite the challenges we’ve faced this year, the Company has reduced debt by \$73 million from the high-water mark set in the second quarter of \$388 million – that is a 19 percent reduction! I am confident that we can continue to allocate a disproportional amount of our free cash flow to paying down debt throughout 2021 and allocate the remaining free cash flow to maintaining or possibly modestly growing our production.”

Mr. McKinney further remarked “Adding the swaps secures our free cash flow and ability to maintain our 2021 drilling program without fear of another retraction in oil prices. With the volatility we have experienced in oil prices, taking the defensive position we have with oil hedges is in the best interest of our shareholders at this time.”

About Ring Energy, Inc.

Ring Energy, Inc. is an oil and gas exploration, development, and production company with current operations in Texas and New Mexico.  
[www.ringenergy.com](http://www.ringenergy.com)

Forward-Looking Statements

This press 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. Statements that are not strictly historical statements constitute forward-looking statements and may often, but not always, be identified by the use of such words such as “expects,” “believes,” “intends,” “anticipates,” “plans,” “estimates,” “forecast,” “guidance,” “target,” “potential,” “possible,” or “probable” or statements that certain actions, events or results “may,” “will,” “should,” or “could” be taken, occur or be achieved. This press release and any accompanying disclosures may include or reference certain forward-looking, non-GAAP financial measures, such as free cash flow, and certain related estimates regarding future performance, results, and financial position. 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, 2019, its Form 10Q for the quarter ended September 30, 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.

For further information contact:

David A. Fowler, President



