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

FORM 10-K

(Mark One)
☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2010

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: **000-53920**

Ring Energy, Inc.
(Exact name of registrant as specified in its charter)

Nevada	**90-0406406**
(State or other jurisdiction of incorporation or organization)	(IRS employer identification number)
18 ½ East State Street, Suite 202, Redlands, CA	**92373**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(909) 489-9438**

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: **Common Stock, Par Value $0.001**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act.
Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit an post such files).

Yes ☐ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the average bid and asked price of such common equity as of the last business day of the registrant's most recently competed second fiscal quarter was $12,200,860.

The number of shares outstanding of the registrant's common stock on March 18, 2011, was 3,548,200.

DOCUMENTS INCORPORATED BY REFERENCE

None

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Forward Looking Statements

The statements contained in this annual report on Form 10-K ("report") that are not historical facts are forward-looking statements that represent management's beliefs and assumptions based on currently available information and constitute "forward-looking statements.". All statements, other than statements of historical or present facts, include the information concerning our future operations, business strategies, need for financing, competitive position, potential growth opportunities, ability to retain and recruit personnel, the effects of competition and the effects of future legislation or regulations are forward-looking statements. Forward-looking statements can be identified by the use of forward-looking terminology such as the words "believes," "intends," "may," "will," "should," "anticipates," "expects," "could," "plans," or comparable terminology or by discussions of strategy or trends. Although we believe that the expectations reflected in such forward-looking statements are reasonable, such statements by their nature involve risks and uncertainties that could significantly affect expected results, and actual future results could differ materially from those described in such forward-looking statements.

Among the factors that could cause actual future results to differ materially are the risks and uncertainties discussed in this report. While it is not possible to identify all factors, we continue to face many risks and uncertainties including, but not limited to, changes in the general economic downturn; a further downturn in the securities markets; uncertainties associated with oil and gas exploration and development, and our ability to generate revenue. Should our underlying assumptions prove incorrect or the consequences of the aforementioned risks worsen, actual results could differ materially from those expected. We disclaim any intention or obligation to update publicly or revise such statements whether as a result of new information, future events or otherwise.

Throughout this report, unless otherwise designated, the terms "we," "us," "our," "the company" and "our company" refer to Ring Energy, Inc., a Nevada corporation.

PART I

ITEM 1. BUSINESS

Change in Fiscal Year

On December 28, 2009, we changed our year end from September 30 to December 31 to align our fiscal year end with other companies within our industry. This Form 10-K report is the first full year report that we have filed since our Form 10-K transition report for the period from October 1, 2009, through December 31, 2009.

General Development of Business

We were organized pursuant to the laws of the state of Nevada in 2004. Since that time we have been involved in various natural resource ventures, and since March 2008 we have been exclusively engaged in the search for one or more oil and gas leases in which we could acquire a working interest for the purpose of developing such leases and the marketing of crude oil and natural gas derived there from. During 2008 we issued 500,000 shares of our common stock for gross proceeds of $1,500,000, which has provided our operating capital since that time. Subsequently, we made our initial acquisition of oil and gas leases in May 2009, when we acquired an oil and gas drilling prospect consisting of a 25% working interest (18.75% net revenue interest) in leases covering 440 acres located in Howard County, Texas, known as the Anderson Prospect ("Prospect").

We acquired our interest in the Prospect from Big Star Oil & Gas, LLC ("operator"), who is also the independent operator of the Prospect. As part of this acquisition, we agreed to drill an initial well, which is known as the Eastland #1 (the "Well"). The intended total depth the Well was to the Pennsylvania Reef formation at approximately 7,800 feet; however, this zone was determined to be non-commercial. We subsequently completed the Well in a shallower formation, the Lower Spraberry, at approximately 6,400 feet in November 2009. Our total costs to acquire the Prospect and drill and complete the Well were $296,042. We have determined that the Well is not commercial and have therefore impaired the Prospect for its total cost.

In January 2011 we elected not to participate with the operator in a recompletion of the Well. As a result of this election, we will be receiving a production payment upon the sale of our proportionate share of oil in the tanks at the time of this election. At the present time we are not able to reasonably estimate the amount of revenue that we should be receiving; however, we do not anticipate receiving any material amounts of revenue and we will record this revenue upon receipt. A consequence of our election not to participate is that portions, if not all, of our interest in the Prospect may be lost. Inasmuch as we have impaired the Prospect to its fullest extent, the loss of our interest in the Prospect will not have an adverse effect on our financial position and future results of operations. Furthermore, if the operator were to locate additional oil or gas reserves as a result of its activities on the Prospect, we may not benefit from those activities.

We have made inquiries regarding the acquisition of an interest in one or more oil and gas properties; however, we have not undertaken any acquisition activities. We have also sought the assistance of outside consultants and others in this search and have entered into preliminary discussions with such individuals; however, no definitive agreements or arrangements have been reached. The cost to retain one or more consultants or a firm specializing in the purchase/sale of oil and gas properties will have an impact on our financial position depending on the arrangement we are able to negotiate. We are not able to estimate the amount of these costs or the terms of any arrangements that we may be entering into.

The types of costs that we may incur include travel relating to meeting with individuals instrumental in our acquisition of one or more oil and gas properties, obtaining petroleum engineer reports relative to the oil and gas properties that we are investigating, legal fees associated with such acquisition (including title reports and negotiation fees) and accounting fees relative to obtaining historical information regarding the production of oil and gas on such properties. Even though we may incur such cost, there is no assurance that we will ultimately be able to consummate a transaction resulting in our acquisition of an oil and/or gas property.

We have no other business activities other than those described above. At the end of March, 2011, we had approximately $900,000 in cash with which to maintain ongoing operations and to engage in further oil and gas activities. Our lack of cash may require that we engage in debt or equity financing, or that we utilize debt or shares of our common stock (or any combination thereof) to acquire one or more oil and/or gas interests. To the extent possible, we are partial to the acquisition of producing and/or developmental properties rather than exploratory properties.

We anticipate acquiring additional oil and gas properties in the future; however, we have not entered into any substantial negotiations. We will not limit our evaluation to any one state. We presently have no intention to evaluate off-shore properties or properties located outside of the United State of America.

Major customers

At the present time, the Company has no major customer.

Financial information about industry segments

All of our business operations have been conducted in the United States of America. We are not engaged nor do we plan to be engaged in any business activities other than the oil and gas business. We do not anticipate engaging in the transportation of oil and gas products through pipelines or otherwise, and we do not anticipate engaging in the storing or refining of oil and gas products.

Foreign operations and subsidiaries

We do not have any foreign operations. We have no subsidiary corporations or other entities with which we or our officers and directors are affiliated, other than disclosed herein.

Government regulation

The acquisition of land leases and the production of oil and natural gas are extensively regulated at federal, state and local levels. Such regulations include the issuance of drilling permits, spacing of wells, methods used to drill wells, allowable rates of production, the unitization or pooling of properties and the plugging and abandonment of wells. Examples of federal agencies with regulatory authority are: the Bureau of Land Management, the Minerals Management Service, the Environmental Protection Agency ("EPA"), the Occupational and Safety and Health Administration and the Federal Energy Regulatory Commission. These agencies are given authority pursuant to the Federal Land Policy and Management Act, the Endangered Species Act, the National Environmental Policy Act, the Federal Water Pollution Control Act of 1972, the Safe drinking Water Act of 1974, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, the Oil Pollution Act of 1990, the Clean Air Act, the Occupational Safety and Health Act and the Final Mandatory Reporting of Greenhouse Gases Rule.

We have relied on the operator to report to the appropriate governmental authorities with respect to the various rules and regulation. We have not conducted an independent review of their compliance procedures. We are presently not engaged in the transportation of oil and natural gas which are regulated by several federal and state agencies.

Environmental matters

Our oil and natural gas operations will subject us to stringent federal, state and local laws governing the discharge of materials into the environment or otherwise relating to environmental protection. Numerous governmental departments, such as the EPA, issue regulations to implement and enforce such laws, the compliance with which is often difficult and costly and violations of which carry substantial civil and criminal penalties and sanctions for failure to comply. Regulations also require some form of remedial action to prevent pollution from former operations such as plugging abandoned wells, and imposing substantial liabilities for pollution resulting from operations. In addition, these laws, rules and regulations may restrict the rate of production. The regulatory burden on the oil and natural gas industry increases our cost of doing business and financial results of our oil and gas operations. Changes in environmental laws and regulations occur frequently, and changes that result in more stringent and costly waste handling, disposal or clean-up requirements could adversely affect our operations and financial position.

We are not the operator of the Well; however, the laws and regulations require that the operator be in compliance with environmental rules and regulations. We are not aware of any non-compliance with environmental rules and regulations as a result of the operator's activities. We have expended such capital as the operator believed necessary for compliance with environmental matters.

Fluctuations in profitability in the oil and natural gas industry

We will likely face commodity pricing and supply risks; however, we do not intend to minimize those risks through hedging activities. The oil and natural gas industry is highly cyclical and historically has experienced severe downturns characterized by oversupply and weak demand. Many factors affect our industry, including general economic conditions, cartel pricing or production controls from organizations such as the Organization of Petroleum Exporting Countries (OPEC), international incidents (politics, wars, etc.) consumer preferences, personal discretionary spending levels, interest rates and the availability of credit and capital to pursue new production opportunities.

In recent months, the oil and natural gas industry has experienced both fluctuations in the price of oil and gas and a general increase in the price of oil. These events are largely due to the occurrence of worldwide man made as well and natural events. Not all of these events are directly related to the oil and gas industry. Nevertheless, their occurrence has affected an increase in the price of oil and as a consequence, an increase in the cost to acquire oil properties. A resultant effect has been an increase in the period required to potentially obtain a return on invested capital. As these events have unfolded, we have not been able to reap any benefits from the increased oil prices and in general these factors have worked against us in attempting to acquire oil and/or gas properties at what we considered to be reasonably priced.

Drilling and completion risks

As evidenced by the Well that we recently completed, there are substantial risks associated with the drilling of oil and gas wells, particularly when such wells are exploratory wells. The cost of acquiring a leasehold interest in developed properties is substantially greater than properties without existing wells where offset wells could be drilled. Our present operations have been exploratory in nature; however, in the future we may decide to pursue the acquisition of an interest in developmental oil and gas leases or acquire an interest in an oil and gas project. We will evaluate the risks associated with each property we investigate on a property by property basis.

Seasonality of our products

Even though adverse weather conditions may have an effect on the operations of our present business, in general the production of oil and gas and our search for additional oil and gas properties will continue throughout the year.

Competition

As we evaluate other oil and gas properties we will be in completion with other business entities that are seeking to acquire similar properties. These other entities will likely have greater financial resources with which to acquire an interest in such properties. We have no advantage over any other business entities for any reason. Therefore, we will likely be at a disadvantage in acquiring properties having existing oil and gas production because of the acquisition costs and our limited financial resources.

Corporate offices and employees

We maintain our sole office at 18 ½ East State St., Suite 202, Redlands, California, where we lease approximately 600 gross square feet of space on a month-to-month net lease at $1,100 per month. Our president, Mr. Steve Owens, utilizes this office for our business operations on a part-time basis. We have no employees or staff. Our board of directors provides services to our company on an as needed basis and utilizes their own resources for such purposes. We may change these arrangements in the future.

Other information

We do not maintain an Internet address and we do not maintain an Internet website. All information provided to the public with respect to our company is filed with the Securities and Exchange Commission and can be located on the Internet at www.sec.gov/edgar.

ITEM 1A. RISK FACTORS

As a smaller reporting company, we have elected not to provide the information required by this item.

ITEM 1B. UNRESOLVED STAFF COMMENTS

We are not an accelerated filer, a large accelerated filer or a well-known seasoned issuer and therefore have elected not to provide the information required by this item.

ITEM 2. PROPERTIES

We maintain an office at 18 ½ East State Street, Suite 202, Redlands, California, where we lease approximately 600 gross square feet of space on a month-to-month net lease at $1,100 per month. We also maintain minimal office furniture and equipment at such location valued less than $10,000.

We hold a 25% working interest (18.75% net revenue interest) in leases covering 440 acres located in Howard County, Texas, on which we drilled a single well. We have elected not to participate in the recompletion of the Well and we may not be entitled to receive future revenue from the Well or from the Prospect. Consequently, the potential volume of recoverable oil that this well could produce has not been determined in any reserve classification.

ITEM 3. LEGAL PROCEEDINGS

Our company is not a party to any legal proceedings reportable pursuant to this item.

ITEM 4. [Removed and Reserved]

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our common stock is traded on the OTC Bulletin Board under the trading symbol "RNGE". We have only one class of common stock and we have no shares of preferred stock authorized for issuance. The table below sets forth for the period indicated the quarterly high and low bid prices of our common stock, based on information provided to us by the OTC Bulletin Board. According to this same source, any shares traded during the year ended December 31, 2010 were at the same high/low price. These quotations reflect inter-dealer prices, without retail mark-up, mark-down, or commission and may not necessarily represent actual transactions. Furthermore, transactions in our common stock are extremely limited and the bid prices provided below may not be indicative of prices if the company's common stock were trading in an established public trading market.

	Quarter	High	Low
FISCAL YEAR ENDED DECEMBER 31, 2010	First	$4.00	$4.00
	Second	$4.00	$4.00
	Third	$4.00	$4.00
	Fourth	$4.00	$4.00
FISCAL YEAR ENDED DECEMBER 31, 2009	Fourth	$4.00	$2.90

Holders, dividends and other information

We have 75,000,000 shares of common stock authorized, of which 3,548,200 shares are issued and outstanding to approximately 82 shareholders of record on March 14, 2011. Shareholders of record are determined from the records of our transfer agent and do not include beneficial owners of our common stock whose shares are held in the names of various security brokers, dealers, and registered clearing agencies.

We have not declared or paid any cash dividends since inception and we do not anticipate or contemplate paying any dividends in the foreseeable future.

We have not adopted and do not anticipate adopting any compensation plans pursuant to which we would issue any equity securities. We have no outstanding options, warrants, or other instruments convertible into shares of our common stock. We have not granted any registration rights to anyone with respect to our currently issued and outstanding shares of common stock and we have not entered into any agreements to issue any additional shares of our capital stock. We have made no purchases of our common stock in the public market nor have we directed anyone to purchase shares of our common stock on our behalf.

ITEM 6. SELECTED FINANCIAL DATA

As a smaller reporting company, we have elected not to provide the information required by this item.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our financial statements and related notes thereto as included with this report.

Critical Accounting Policies and Estimates

This discussion and analysis of our financial condition and results of operation is based upon financial statements that have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. We have based our estimates on historical experience and various other assumptions that we believed to be reasonable under the circumstances. Actual results, however, may differ from these estimates under different assumptions or conditions.

We believe that the following critical accounting policies have affected our financial statements and the judgments and estimates used in the preparation thereof:

We use the "full cost" method of accounting for our oil and gas properties. Under this method, all property acquisition costs and the costs of all exploratory and development wells are capitalized when incurred. Depreciation and depletion result from the use of the units-of-production method. Impairments are recorded when the combined or pooled net book value of all our properties is not recoverable based on current estimates of expected future cash flows. Inasmuch as we have only one property and have drilled only one well, the affects of the results of this one well are not being pooled with results of any other wells or properties.

We implemented FASB ASC 855-10-50 with respect to subsequent events commencing with the year ended September 30, 2009. This standard establishes general standards of accounting for and disclosures of events that occurred after the balance sheet date but before the financial statements were issued. As a result, $241,860 of costs incurred through September 30, 2009 and $28,402 of costs incurred during the subsequent quarter were both expensed as an impairment loss in the year ended September 30, 2009. At December 31, 2009, we estimated that our unimpaired investment in the Well was $25,780, which amount we began to amortize on a unit of production method through the quarter ended March 31, 2010. We then determined that the potential volume of recoverable oil may not be economically producible during the quarter ended June 30, 2010 and had impaired all remaining costs at that time. During January 2011 we elected not to participate in the reworking of the well and therefore may have lost a portion, if not all, of our interest in the Prospect. Inasmuch as we have impaired the Prospect to its fullest extent, the loss of our interest in the Prospect will not have an adverse effect on our financial position and future results of operations. Furthermore, if the operator were to locate additional oil or gas reserves as a result of its activities on the Prospect, we may not benefit from those activities and have therefore not included any reserve information in any classification.

The carrying amounts reported in the balance sheets for cash and cash equivalents, and all components of total current assets and current liabilities approximate fair value due to the immediate or short-term maturity of the instruments comprising these items. During the year ended September 30, 2009, we held available-for-sale securities that resulted in the recognition of comprehensive income as a result of these securities having been reflected at their fair value at the commencement of that year. We utilized Level 1 inputs to determine fair value. We currently do not hold any available-for-sale securities and do not intent to acquire such. All cash deposits are held in one financial institution in amounts over $250,000 and are not federally insured.

Liquidity and Capital Resources – December 31, 2010 and 2009

For purposes of this discussion, the year end balances at December 31, 2010 shall be referred to as "2010-December; the balances at December 31, 2009 shall be referred to as "2009-December".

Our total assets decreased to $939,797 from $1,032,594 or by $92,797, between 2010-December and 2009-December, which amount represents a 9% decrease in our total assets. During this time period we also decreased our total liabilities by $14,378 or 68%.

At 2010-December, $931,103 of our total assets or 99% of our total assets were comprised of cash and cash equivalents. Our working capital at 2010-December of $927,374 is also comprised primarily of cash and cash equivalents (99%). Even though our cash position has decreased by $62,757 between 2010-December and 2009-December, we also decreased our liabilities by $14,378. We intend to keep the remaining portion of our current assets in cash or cash equivalents in order to avail ourselves of opportunities to acquire additional oil and gas investments. In the process of identifying potential oil and gas properties for acquisition, we will incur cost for geological evaluations and legal fees to determine if the property holds potential for profitable development and what our ownership interest might be. Even though we cannot estimate what those cost amounts might be, we expect them to be substantial in light of our current assets. In January 2011 we elected not to participate with the operator in a recompletion of the Well. As a result of this election, we will be receiving a production payment upon the sale of our proportionate share of oil in the tanks at the time of this election. At the present time we are not able to reasonably estimate the amount of revenue that we should be receiving; however, we do not anticipate this amount to be substantial and it will represent our only revenue source in the foreseeable future.

We believe that the cash we now have available may be insufficient to pursue the acquisition of producing oil and gas properties that hold potential for further development. Consequently, we may attempt to raise additional capital in the future through the sale of shares of our common stock. The sale of our common stock may require that we retain the services of a broker/dealer who will in all likelihood retain a portion of the proceeds of such sale as a commission. We may also issue shares or our common stock or warrants to purchase shares of our common stock as an incentive to such broker/dealer. The sale of our common stock along with the commissions that we may pay in that regard will dilute the percentage ownership that our current stockholders have in our company. We have entered into no such arrangements at the time this report is issued.

In order to raise the required capital, we may request that other individuals serve as either members of our board of directors or as officers of our company or both. Such individuals may require that we pay them a bonus at the time they are hired and/or that we issue stock options/warrants to purchase shares of our common stock. All of these actions will have a dilutive effect on the ownership interest of our common stockholders. The valuations of stock options and warrants and their terms of exercise will have a negative effect on the earning/loss from operations that we will experience in the future. We are not able to estimate or determine what those effects on our income/loss will be until such time as these financial instruments are issued. At the present time we have no definitive agreements with anyone with regard to any matters discussed in this section of our report.

Furthermore, we may issue shares of our common stock as partial or full consideration of oil and gas properties that we may acquire. Such stock issuances will have a dilutive effect on the ownership interest of our present stockholders in our Company. We have experienced insignificant transactions with respect to the trading of our common stock in the over-the-counter marketplace and consequently, it may be difficult to arrive at a meaningful price per share for our common stock. The value placed on our common stock in any transaction may not be indicative or the price paid by purchasers of our common stock in the over-the-counter market. The effects of the issuance of our common stock will more than likely result in an initial decrease in the net asset value of our common stock. Nevertheless, we believe that any such transactions will over time have a favorable effect on our company's valuation, both in terms of net asset value and acceptance in the market place. We can provide no assurance that such an outcome will occur. We have no definitive agreement with anyone with respect to the purchase of any oil or gas properties. We have no intended prospect that we are considering and there is no assurance that we will be able to locate any future prospects. In addition, there is no assurance that any capital raising activities will be successful.

Results of Operations – Fiscal Periods ended December 31, 2010 and 2009

For purposes of this discussion, results of operations for the 12 month period ended December 31, 2010 shall be referred to as "2010 Year End", the results of operations for the 3 month period ended December 31, 2009 shall be referred to as "2009 Transition period", and the 12 month period ended September 30, 2009 shall be referred to "2009 Year End".

We received production from our well during the 2010 Year End and also during the 2009 Transition Period in the amounts of $8,269 and $5,851, respectively. Production costs during those same periods slightly exceeded oil sales with production costs being in amounts of $9 892 and $7,885, respectively. The intended total depth the Well was to the Pennsylvania Reef formation at approximately 7,800 feet; however, this zone was determined to be non-commercial. We subsequently completed the Well in a shallower formation, the Lower Spraberry, at approximately 6,400 feet in November 2009. Our total costs to acquire the Prospect and drill and complete the Well in this shallower zone were $296,042. Even though initial production from the well appeared to be promising and we were hopeful of obtaining a commercially productive well, by the end of the first quarter of the 2010 Year End we determined that the balance of our well costs should be impaired.

We have sustained a loss from operations in each of our periods of operation. During the 2010 Year End, our loss from operations was in the amount of $58,972. During the 2009 Transition period our loss from operations amounted to $20,737 and for the 2009 Year End our loss amounted to $122,997. In each of these periods, the costs that loom the largest are accounting and legal fees of $19,779, $9,403, and $46,078, respectively. We currently sustain fixed costs of $1,250 per month for director fees ($1,000 being paid to Mr. Nestripke and $250 being paid to Mr. Owens) and $1,100 for a month-by-months lease. We anticipate that quarterly review fees of our financial statements by our auditing firm and the legal review of our filings with the SEC will continue into the future. We estimate those costs at approximately $5,000 per quarter.

We anticipate increased general and administrative costs in the upcoming quarters as a result of our search to acquired profitable oil and gas properties. To the extent that we hire, either as an employee of the company or as a consultant, an individual to assist us in the search for productive oil and gas properties, such cost would be a substantial increase over the amounts currently being paid to our directors. We have entered into preliminary discussions with a few individuals regarding their service to the company in some capacity; however, we have not been able to conclude our discussion and reach any type of agreement at this time.

We believe that it is inevitable that the capitalization of our company will change at some time during the year ended December 31, 2011. The realistic expectation that we could obtain a leasehold interest in an oil or gas producing property without additional financing is highly unlikely. During the 2010 Year End, the loss per share was $0.02, compared to a loss per share of $0.01 for the 2009 Transition Period and a loss of $0.09 for the 2009 Year End. To the extent that we are able to obtain debt financing, our earnings/loss per share will not be affected. However, the issuance of equity financial instruments will require that we have larger amount of net income applicable to common stockholders in or to achieve larger earnings per share.

Off-Balance Sheet Arrangements

We did not engage in any off-balance sheet arrangements during the any period presented in our financial statements. We did not have any off-balance sheet arrangements at December 31, 2010 and have not entered into any off-balance sheet arrangements since that date.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a smaller reporting company, we have elected not to provide the disclosure required by this item.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

We have provided the financial statements required by this item immediately following the signature page of this report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

We have not had any changes in our registered public accounting firm nor have we had any disagreements with them regarding accounting and financial disclosures reportable pursuant to this item.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Our principal executive and financial officer, Robert "Steve" Owens, conduced an evaluation, as of the end of the period covered by this report, of whether our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) were (1) effective to ensure that information required to be disclosed by us in reports filed or submitted by us under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission, and (2) designed to ensure that information required to be disclosed by us in such reports is accumulated, organized and communicated to our management, including our principal executive officer and principal financial officer, as appropriated, to allow timely decisions regarding required disclosure. Based upon this evaluation, Mr. Owens concluded that, as of December 31, 2010, our disclosure controls and procedures were effective.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of our company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed our internal control over financial reporting as of our year ended December 31, 2010. Management based its assessment on criteria established in *Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission*. Management's assessment included evaluation of such elements as the design and operating effectiveness of key financial reporting controls, process documentation, accounting policies, and our overall control environment.

Based on this assessment of the effectiveness of our internal control over financial reporting, management concluded that our internal control over financial reporting was effective as of December 31, 2010.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the quarter ended December 31, 2010, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

No information is reportable pursuant to this item.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Identification of our board of directors and executive officers

The following table sets forth each of the current directors, his age, positions held with our company, and the date he first commenced service as a director of the company. Each director serves until the next annual meeting of stockholders or until their successor is duly elected and qualified. None of our directors has any arrangements or understandings with respect to his position and the company is not calling for the election of any director at the present time. No family relationship exists between any of our directors and executive officers. We have no significant employees.

Name	Age	Position(s)	Director Since
Robert "Steve" Owens	68	Director, President, CFO	2008
Robert Morley	65	Director	2008
Michael Harland	64	Director	2008
Denny W. Nestripke	64	Chairman	2009

Robert "Steve" Owens has served on a part-time basis as our President, Secretary and Treasurer since March, 2008. In these capacities he also serves as our Chief Executive Officer and Chief Financial Officer. Mr. Owens has been retired from full-time employment since 2000, but still manages his own investments which may include various oil and gas investments or development activities. Mr. Owens has committed to follow our code of ethics which includes observing any conflict of interest or corporate opportunity guidelines. Prior to his retirement, Mr. Owens was president Tri-Petroleum, a privately held oil and gas development company, from 1985 to 1997. Mr. Owens continues to be active and knowledgeable with respect to oil field activities, in particularly in the Oklahoma and Texas regions. We believe that the individuals with whom he associates will provide a broad source of information regarding potential acquisitions of oil and gas properties for the Company.

Robert Morley has served as a director since March 2008 and as a member of the audit committee since April 2009. Since 1993 Mr. Morley has been president and director for Petro Consultants, Inc., an advisory company for capital formation to start-up oil and gas development companies, including securities listings and marketing. Mr. Morley's background in capital formation will assist us as we strive to acquire new oil and gas properties and to potentially raise capital for such property acquisition. Mr. Morley has committed to follow our code of ethics which includes observing any conflict of interest or corporate opportunity guidelines. Mr. Morley graduated from California State University at Chico in 1969.

Michael Harland has served as a director March, 2008. Since 1985 Mr. Harland has served as a senior investment associate for Casey Development, Inc., a privately held real estate development and brokerage entity located in San Diego, California. Mr. Harland has not been appointed to serve on any Company committees and does not perform any other functions for the Company. In this capacity Mr. Harland will be able to provide an objective viewpoint on matters requiring Board of Director approval.

Denny W. Nestripke has served as the Chairman of the Board of Directors and as the Audit Committee Financial Expert since August 2009 and prior to that time served as a consultant to the company commencing in March 2009. Since 2004 Mr. Nestripke has been a self-employed certified public accountant. In addition, from 2006 through 2010, he was employed part-time by Alpine Securities Corporation, where he held supervisory positions for a short period of time. He is currently not registered with any FINRA firm. Mr. Nestripke graduated from the University of Utah with a Bachelor Science degree in accounting in 1977 and subsequently graduated with a Master of Science degree in family ecology in 2005 from the same institution. We believe that Mr. Nestripke's background and knowledge of accounting will continue to assist us in the proper recording of financial data and in the presentation of that data in financial statements that we provide to stockholders and others interested in our Company.

Other than Mr. Nestripke who currently holds a directorship in Millstream Ventures, Inc. and Evetsco, Inc. and who held a directorship in Merilus, Inc. from October 20, 2005 to May 7, 2006, none of our directors currently holds or has held any directorships with any companies having a class of securities registered pursuant to section 12 of the Exchange Act or subject to the requirements of section 15(d) of such Act or any company registered as an investment company under the Investment Company Act of 1940, during the past 5 years. None of our directors has been involved in any legal proceedings during the past ten years; including a petition filed under Federal bankruptcy laws or any state insolvency law, any judicial or administrative proceedings resulting from involvement in mail or wire fraud or fraud in connection with any business entity, any judicial or administrative proceedings based on violations of federal or state securities, commodities, banking or insurance laws or regulations, and any disciplinary sanctions or orders imposed by a stock, commodities or derivatives exchange or other self-regulatory organization. Furthermore, none of our directors has been convicted of or have pending any criminal proceedings (excluding traffic violations and other minor offenses).

Code of ethics

We have adopted a code of ethics for our chief executive officer and chief financial officer and any director engaged in a business that may potentially conflict with our business operations. This code of ethics was filed as Exhibit 14 to our Form 10-K for the year ended September 30, 2009.

Corporate governance

We do not have a nominating committee or committee performing similar functions and we do not have a policy for the qualification, identification, evaluation or consideration of director candidates. Directors are selected solely by our current Board of Directors. We have not received any nominees recommended by our stockholders for positions on our Board of Directors. During the year ended December 31, 2010, there were no material changes to the procedures by which security holders could recommend nominees to our Board of Directors

We do not have a compensation committee nor have we hired anyone to recommend the amounts of compensation that should be paid to any director or officer. Our current Board of Directors has determined that if a formal meeting of the Board of Directors is held that directors shall receive $350 for each half-day session and $500 for each full-day session. However, no compensation shall be paid for telephonic or other type of meetings. Since October 1, 2008 the Board of Directors has not held any formal meetings.

Two of our directors are currently receiving director's fees. Mr. Nestripke, who serves as Chairman of the Board of Directors, receives a fixed fee of $1,000 per month and Mr. Owens receives a fixed fee of $250 per month. These amounts have been determined by our Board of Directors.

Since three of the four members of our Board of Directors assumed their positions in March 2008, we have not held an annual meeting of stockholders. At present, we have no intention of holding an annual meeting.

Audit committee

During April, 2009 we established an audit committee, with Mr. Morley serving as its sole member until August 2009 when Mr. Nestripke was appointed to this committee and Mr. Morley was appointed as its chairman. At the time of Mr. Nestripke's appointment, he was also designated as the Audit Committee Financial Expert and the Board of Directors determined that Mr. Nestripke was independent with respect to the company. Our audit committee has not established a charter. The audit committee has received a letter from its independent registered public accounting firm regarding the disclosures contained in the financial statements. This letter contained no adverse comments nor did it disclose any information that would lead the audit committee to believe that our independent registered public accounting firm's independence is or was compromised.

Leadership structure

Mr. Owens serves as our Chief Executive Officer and Principal Financial and Accounting Officer. Mr. Owens makes the determination to initiate a company obligation and approves the payment of invoices related to such obligation. Mr. Nestripke, the Chairman of the Board of Directors and Audit Committee Financial Expert, pays approved invoices and performs the recording function in an electronic bookkeeping system. Recorded financial transactions are reviewed by Mr. Owens and by Mr. Morley, Chairman of the Audit Committee. The determination to enter into non-routine transactions, such as the acquisition of oil and gas properties or large expenditures, such as the initiation of a drilling project, requires approval of the Board of Directors, which includes Mr. Harland, who does not perform any other leadership functions within the company. The company has determined that this leadership structure is appropriate given the specific characteristics or circumstances of its operations and the fact that our directors collectively own less than 4% of the issued and outstanding common stock of the company and individually not more than 1.5%.

ITEM 11. EXECUTIVE COMPENSATION

Executive Compensation

Robert “Steve” Owens is the sole person who served as an executive officer during the year ended December 31, 2010. The following table sets forth information concerning the annual compensation awarded to, earned by, or paid to Mr. Owens for all services rendered in all capacities to our company for the years ended December 31, 2010 and 2009:

SUMMARY COMPENSATION TABLE

Name & Principal Position	**Year**	**All Other Compensation**	**Total**
Robert “Steve” Owens, CEO	2010	$3,000	$3,000
	2009	$0	$0

We do not have an employment agreement with Mr. Owens and the Board of Directors has not adopted any compensation policy for Mr. Owens. We pay him a director fee of $250 per month beginning in 2010.

Equity Awards

No executive officer held any unexercised options, stock that had not vested, or equity incentive plan awards at December 31, 2010.

Director Compensation

The following table sets forth certain information concerning the compensation of our directors, excluding Mr. Owens, for the last fiscal year ended December 31, 2010:

Name	**Fees Earned or Paid in Cash**	**Total**
Robert Morley	0	0
Michael Harland	0	0
Denny W. Nestripke	$12,000 (1)	$12,000

(1) Mr. Nestripke, who serves as Chairman of the Board of Directors, receives a fixed fee of $1,000 per month.

Directors are permitted to receive fixed fees and other compensation for their services as directors. The Board of Directors has the authority to fix the compensation of directors. We pay to Mr. Owens a fee of $250 per month and to Mr. Nestripke a fee of $1,000 per month. There are no contractual commitments for the payment of these fees. The Board of Directors has not otherwise adopted a compensation policy for directors except for the attendance at formal meetings of the Board of Directors, for which directors shall receive $350 for each half-day session and $500 for each full-day session. However, no compensation shall be paid for telephonic or other type of meetings.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth certain information furnished by current management and others, concerning the ownership of our common stock as of March 18, 2011, of (i) each person who is known to us to be the beneficial owner of more than 5 percent of our common stock, without regard to any limitations on conversion or exercise of convertible securities or warrants; (ii) all directors and executive officers; and (iii) our directors and executive officers as a group. The address with respect to each of the individuals listed below is c/o Ring Energy, Inc., 18 ½ East State Street, Suite 202, Redlands, California 92373.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership(1)	Percent of Class(1)
Robert "Steve" Owens	50,000	1.41%
Robert Morley	30,000	0.85%
Michael Harland	25,000	0.70%
Denny W. Nestripke	25,500(2)	0.72%
Executive Officers and Directors as a Group (4 Persons)	130,500	3.68%

(1) This table is based upon information supplied by officers, directors and principal stockholders and is believed to be accurate. Unless otherwise indicated in the footnotes to this table, we believe that each of the stockholders named in this table has sole voting and investment power with respect to the shares indicated as beneficially owned. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Shares of common stock subject to options, warrants, or other conversion privileges currently exercisable or convertible, or exercisable or convertible within 60 days of December 31, 2010, are deemed outstanding for computing the percentage of the person holding such option or warrant but are not deemed outstanding for computing the percentage of any other person. Where more than one person has a beneficial ownership interest in the same shares, the sharing of beneficial ownership of these shares is designated in the footnotes to this table. At March 18, 2011, we had 3,548,200 shares of common stock outstanding.

(2) Includes 15,000 shares held in an IRA and 500 shares held in a brokerage account.

We are not aware of any arrangements including any pledge by any person of our common stock, the operation of which may at a subsequent date result in a change in control or our company.

At December 31, 2010, we had no compensation plans authorized under which we could issue any equity securities.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

During 2008, we entered into a lease arrangement with an entity that is an affiliate of the bother-in-law of Mr. Owens, our President. This lease arrangement was subsequently modified to a month-to-month lease and includes all telephone line charges. Total payments of $12,700, $3,000 and $12,000 were made during the year ended December 31, 2010, the three months ended December 31, 2009 and the year ended September 30, 2009, respectively. Other than this transaction, no other transaction was entered into nor are we proposing to enter into any transaction with a related person in which the amount involved exceeded the lesser of $120,000 or one percent of our average total assets at year end December 31, 2010, at the end of the three months ended December 31, 2009 and at year end September 30, 2009. Our company does not have any parent company.

Director independence

Our common stock is not listed on a national securities exchange or on an inter-dealer quotation system which has requirements that directors be independent. We have adopted an independence standard that requires a person to be considered an independent director if he or she is not an officer of the company and is, in the view of the company's Board of Directors, free of any relationship that would interfere with the exercise of independent judgment. Our Board of Directors has determined that Mr. Owens, our chief executive officer, our chief financial officer, and a director, does not qualify as being an independent director based on the above standard and that all other directors are independent.

Our audit committee is comprised of two members of our Board of Directors, Mr. Morley and Mr. Nestripke. Based on our independence standard, these two individuals are independent.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The aggregate fees billed for the year ended December 31, 2010, the three months ended December 31, 2009 and the year ended September 31, 2009 by our independent registered public accounting firm, Haynie & Company were as follows:

	Year Ended December 31, 2010	Three Months Ended December 31, 2009	Year Ended September 30, 2009
Audit Fees	$ 5,250	$ 7,000	$ 9,000
Audit Related Fees	$ 0	$ 0	$ 0
Tax Fees	$ 2,500	$ 0	$ 0
All Other Fees	$ 0	$ 0	$ 0
Total Fees	$ 7,750	$ 7,000	$ 9,000

Audit fees are comprised of amounts billed for the audit of our annual financial statements, review of our quarterly financial statements and other fees that are normally provided in connection with statutory and regulatory filings or engagements.

Audit related fees are comprised of amounts billed for assurance and related services that are reasonably related to the performance of the audit or review of the financial statements, other than those previously reported as audit fees.

Tax fees are comprised of amounts billed for the preparation of our federal and state tax returns.

All other fees represent amounts billed for products or services provided by our independent registered public accounting firm, of which there were none.

Our audit committee gave consideration to the non-audit services provided by our independent registered public accounting firm to determine if such services would be compatible with maintaining their independence as our auditors and whether their independence would be compromised by such services. Our audit committee pre-approves all auditing services and reviews the independence of our public accounting firm annually. Our audit committee has not established approval policies and procedures.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit	Filing Date	Filed Here-with
3.1	Articles of Incorporation	8-A	000-53920	3.1	3/31/10	
3.2	Current Bylaws	8-A	000-53920	3.2	3/31/10	
10.1	Participation Agreement	8-K	333-140024	10.1	5/20/09	
14.1	Code of Ethics	10-K	333-140024	14	12/29/09	
31.1	Rule 13a-14(a) Certification by Principal Executive Officer and Principal Financial Officer					X
32.1	Section 1350 Certification of Principal Executive Officer and Principal Financial Officer					X

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Ring Energy, Inc.

Date: March 31, 2011

By: *<u>/s/Robert "Steve" Owens</u>*
Robert "Steve" Owens, President

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

Name	**Title**	**Date**
/s/Robert "Steve" Owens Robert "Steve" Owens	Director, President, Treasurer, and Secretary (Principal Executive Officer and Principal Financial and Accounting Officer)	March 31, 2011
/s/ Michael Harland Michael Harland	Director	March 31, 2011
/s/ Robert Morley Robert Morley	Director	March 31, 2011
/s/ Denny W. Nestripke Denny W. Nestripke	Chairman	March 31, 2011

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
RING ENERGY, Inc

We have audited the accompanying balance sheets of RING ENERGY, Inc (a development stage entity) as of December 31, 2010 and 2009, and the related statements of operations and other comprehensive loss, stockholders' equity (deficit) and cash flows for the year ended December 31, 2010, the three months ended December 31, 2009, the year ended September 30, 2009, and the period from inception (July 30, 2004) to December 31, 2010. RING ENERGY, Inc's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RING ENERGY, Inc as of December 31, 2010 and 2009, and the results of its operations and its cash flows for the year ended December 31, 2010, the three months ended December 31, 2009, the year ended September 30, 2009, and the period from inception (July 30, 2004) to December 31, 2010 in conformity with accounting principles generally accepted in the United States of America.

/s/ Haynie & Company

Haynie & Company

Littleton, CO
March 31, 2011

Ring Energy, Inc.
(a development stage entity)
Balance Sheets

		December 31,		
		2010		2009
Assets:				
Current Assets:				
Cash and cash equivalents	$	931,103	$	993,860
Oil production receivable		-		5,623
Deposits		1,000		1,000
Prepaid expenses		1,900		1,000
Total Current Assets		934,003		1,001,483
Office Furniture (net)		5,794		6,993
Oil and Gas - property and equipment (net)		-		24,118
Total Assets	$	939,797	$	1,032,594
Liabilities and Stockholders' Equity:				
Current Liabilities:				
Accounts payable and accrued liabilities	$	5,420	$	7,520
Oil and gas drilling and operating costs payable		1,209		13,487
Total Current Liabilities		6,629		21,007
Total Liabilities		6,629		21,007
Stockholders' Equity:				
Common Stock, $0.001 par value, 75,000,000 shares authorized, 3,548,200 shares issued and outstanding		3,548		3,548
Paid-in capital		1,671,741		1,671,741
Deficit accumulated during the development stage		(742,121)		(663,702)
Total Stockholders' Equity		933,168		1,011,587
Total Liabilities and Stockholders' Equity	$	939,797	$	1,032,594

The accompanying notes are an integral part of these financial statements.

Ring Energy, Inc.
(a development stage entity)
Statements of Operations and Other Comprehensive Loss

	Year Ended December 31, 2010	Three Months Ended December 31, 2009	Year Ended September 30, 2009	Inception of Development Stage (July 30, 2004) through December 31, 2010
Revenue from oil and gas properties	$ 8,269	$ 5,851	$ -	$ 14,120
Production costs	(8,429)	(6,223)	-	(14,652)
Depreciation, depletion, amortization	(1,463)	(1,662)	-	(3,125)
Results from oil and gas operations	(1,623)	(2,034)	-	(3,657)
General and Administrative Expenses:				
Accounting and legal	(19,779)	(9,403)	(46,078)	(153,745)
Advertising and promotion	-	-	-	(49,614)
Consulting	(5,175)	-	(51,428)	(125,175)
Management and director fees	(15,000)	(3,000)	(3,000)	(47,400)
Transfer agent and filing	(1,770)	(2,365)	(5,452)	(26,804)
Rent	(12,700)	(3,000)	(12,000)	(31,200)
Depreciation	(1,199)	(300)	(1,099)	(2,598)
Other	(1,726)	(271)	(3,940)	(39,771)
Total General Administrative Expenses	(57,349)	(18,339)	(122,997)	(476,307)
Loss From Operations	(58,972)	(20,373)	(122,997)	(479,964)
Other Income and (Expense):				
Dividend and interest Income	3,208	834	30,802	35,981
Interest expense	-	-	-	(5,221)
Loss on impairment of oil and gas properties	(22,655)	(28,402)	(241,860)	(292,917)
Total Other Income and (Expense)	(19,447)	(27,568)	(211,058)	(262,157)
Loss Before Income Taxes	(78,419)	(47,941)	(334,055)	(742,121)
Income tax benefit (expense)	-	-	-	-
Net Loss Applicable to Common Stockholders	(78,419)	(47,941)	(334,055)	(742,121)
Other Comprehensive Income:				
Unrealized income on available-for-sale securities	-	-	-	-
Net Loss Applicable to Common Stockholders	$ (78,419)	$ (47,941)	$ (334,055)	$ (742,121)
Net loss per common share	$ (0.02)	$ (0.01)	$ (0.09)	
Average number of common shares outstanding	3,548,200	3,548,200	3,547,664	

The accompanying notes are an integral part of these financial statements.

Ring Energy, Inc.
(a development stage entity)
Statements of Stockholders' Equity

	Common Stock		Paid-in	Other Comprehensive Income	Deficit Accumulated During the Development	Total Stockholders'
	Shares	Amount	Capital	(Loss)	Stage	Equity
Inception of development stage, July 30, 2004	-	$ -	$ -	$ -	$ -	$ -
Common stock issued for services at $0.0012 per share during the fiscal year ended September 30, 2004	1,666,667	1,667	333	-	-	2,000
Common stock issued for cash at $0.024 per share during the fiscal year ended September 30, 2006	1,374,550	1,374	31,616	-	-	32,990
Imputed interest during the fiscal year ended September 30, 2007	-	-	3,766	-	-	3,766
Contributed capital during the fiscal year ended September 30, 2007	-	-	60,000	-	-	60,000
Imputed interest during the fiscal year ended September 30, 2008	-	-	1,455	-	-	1,455
Forgiveness of related party payable during the fiscal year ended September 30, 2008	-	-	75,078	-	-	75,078
Common stock issued for cash at $3.00 per share during the fiscal year ended September 30, 2008	500,000	500	1,499,500	-	-	1,500,000
Net loss from inception of development stage through September 30, 2008	-	-	-	(386)	(281,706)	(282,092)

Statements of Stockholders’ Equity Continued on Next Page

Statements of Stockholders' Equity Continued

Balance, September 30, 2008	3,541,217	3,541	1,671,748	(386)	(281,706)	1,393,197
Common stock issued resulting from a 1 for 18 reverse stock split during the quarter ended December 31, 2008	6,983	7	(7)	-	-	-
Net loss for the year ended September 30, 2009	-	-	-	386	(334,055)	(333,669)
Balance, September 30, 2009	3,548,200	3,548	1,671,741	-	(615,761)	1,059,528
Net loss for the three months ended, December 31, 2009	-	-	-	-	(47,941)	(47,941)
Balance, December 31, 2009	3,548,200	3,548	1,671,741	-	(663,702)	1,011,587
Net loss for the year ended December 31, 2010	-	-	-	-	(78,419)	(78,419)
Balance, December 31, 2010	3,548,200	$ 3,548	$ 1,671,741	$ -	$ (742,121)	$ 933,168

The accompanying notes are an integral part of these financial statements.

Ring Energy, Inc.
(a development stage entity)
Statements of Cash Flows

	Year Ended December 31, 2010	Three Months Ended December 31, 2009	Year Ended September 30, 2009	Inception of Development Stage (July 30, 2004) through December 31, 2010
Cash Flows from Operating Activities:				
Net loss before other comprehensive loss	$ (78,419)	$ (47,941)	$ (334,055)	$ (742,121)
Adjustments to reconcile net loss to cash used by operating activities:				
Depreciation, depletion and amortization expense	2,662	1,962	1,099	5,723
Write-off of website costs	-	-	-	7,917
Management fees	-	-	-	2,000
Interest expense	-	-	-	5,221
Loss on impairment	22,655	28,402	241,860	292,917
Other comprehensive income	-	-	386	-
Changes in working capital balances related to operations:				
(Increase) in oil production receivable	5,623	(5,623)	-	-
(Increase) decrease in prepaid expense	(900)	405	55,823	(2,229)
(Increase) decrease in deposits	-	884	(1,884)	(116)
Increase (decrease) in accounts payable and accrued liabilities	(2,100)	7,384	(805)	4,479
Increase (decrease) in drilling and operating costs payable	(12,278)	(14,126)	27,613	1,209
Net Cash Flows Provided (Used) by Operating Activities	(62,757)	(28,653)	(9,963)	(425,000)

Statement Of Cash Flows Continued on Next Page

Statement Of Cash Flows Continued

Cash Flows from Investing Activities:				
Website costs	-	-	-	(7,917)
Available for sale investments	-	-	1,249,614	386
Acquisition of office furniture	-	-	(8,392)	(8,392)
Acquisition of oil and gas interests	-	(28,402)	(267,640)	(296,042)
Net Cash Flows Provided (Used) by Investing Activities	-	(28,402)	973,582	(311,965)
Cash Flows from Financing Activities:				
Proceeds from related party payables	-	-	-	102,513
Payments on related party payables	-	-	-	(27,435)
Issuance of common stock	-	-	-	1,592,990
Net Cash Flows Provided by Financing Activities	-	-	-	1,668,068
Net Increase (Decrease) in Cash and Cash Equivalents	(62,757)	(57,055)	963,619	931,103
Cash and cash equivalents at beginning of period	993,860	1,050,915	87,296	-
Cash and Cash Equivalents at End of Period	$ 931,103	$ 993,860	$ 1,050,915	$ 931,103
Supplemental Disclosures of Cash Flow Information:				
Cash paid for:				
Interest	$ -	$ -	$ -	$ -
Taxes	$ -	$ -	$ -	$ -
Non-cash Investing and Financing Activities:				
Equity issued as compensation	$ -	$ -	$ -	$ 2,000
Imputed interest	$ -	$ -	$ -	$ 5,221
Forgiveness of related party payable	$ -	$ -	$ -	$ 75,078

The accompanying notes are an integral part of these financial statements.

Note 1: Organization and Summary of Significant Accounting Policies

Organization – Ring Energy, Inc., a development stage entity (the "Company"), was incorporated in the State of Nevada on July 30, 2004 as Blanca Corporation and subsequently changed its name to Transglobal Mining Corp. During March 2008, the name was changed to Ring Energy, Inc. Since its inception the Company has been engaged in various aspects of the extractive industry and currently holds a 25% non-operating working interest (18 ¾% net revenue interest) in an oil and gas lease comprising 440 total acres located in Howard County, Texas, known as the Anderson Prospect (the "Prospect"). The Company completed one well on the Prospect, known as the Eastland #1 (the "Well"). The production of oil from the Well has consistently decreased which has resulted in an impaired of the cost of the Well and subsequently the entire Prospect. The Company is seeking to acquire additional oil and gas properties.

Financial Statement Presentation – The Company changed its fiscal year end from September 30th to December 31st, during 2009. This change resulted in the presentation of the Statements of Operations and the Statement of Cash Flows for the year ended December 31, 2010; for a transitional period of 3 months (October 1, 2009 through December 31, 2009) ended December 31, 2009; for the year ended September 30, 2009; and from inception of development stage though December 31, 2010. The Statement of Stockholders Equity is presented from inception through December 31, 2010.

A reclassification to the presentation of prior financial statements has been made to correspond to the Company's current presentation as of December 31, 2010 and for the twelve month year then ended. These reclassifications included: a) A stock subscription in the amount of $60,000 that did not require the issuance of additional shares of the Company's common stock nor the repayment of any amounts previously received and was therefore reclassified as an increase to the paid-in capital account. The total net loss applicable to common stockholders and equity remained unchanged as a result of this reclassification. b) The amortization of oil and gas costs in the amount of $1,662 is being presented as a reduction to the results from oil and gas operations rather than a reduction of oil and gas interests on the Statement of Cash flows. The net loss applicable to common stockholders remained unchanged as a result of this reclassification.

Cash and Cash Equivalents – The Company considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents. The carrying value approximates the fair value of these financial instruments. All cash deposits are held in one financial institution in amounts over $250,000 and are not federally insured. During the year ended September 30, 2008, the Company held available-for-sale securities with maturities that exceeded three months. The unrealized comprehensive loss for the year ended September 30, 2008 was recognized during the year ended September 30, 2009 as a part of dividend and interest income.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Oil and Gas Properties – The Company utilizes the full cost method of accounting for oil and gas properties. Under this method all costs associated with acquisition, exploration, and development of oil and gas properties, including equipping of productive wells, are capitalized and are subject to amortization and/or impairment. During the year ended December 31, 2010, during the three months ended December 31, 2009, and during the year ended September 30, 2009, the Company impaired the Prospect in the amount of $22,655, $28,402 and $241,860, respectively. Additionally, in November, 2009, the Company commenced the production of oil from the Well and utilized the unit-of-production method to amortize a total of $3,125 through March, 2010, at which time the balance of Prospect's cost was impaired as previously mentioned. The operator has commenced a recompletion of the well; however, in January 2011 we elected not to participate in the cost of the recompletion and therefore may not receive any future benefit from the Well and possibly the Prospect. The Company is considered a development stage entity because it has not realized any net income from the revenue derived from its oil and gas producing activities.

Depreciation – The Company maintains office furniture at its corporate office that is recorded at cost and depreciated using the straight-line method over a seven year period. Depreciation for the year ended December 31, 2010, for the three month period ended December 31, 2009, and for the year ended September 30, 2009 was $1,199, $300, and $1,099, respectively, and accumulated depreciation was $2,597, $1,399 and $1,099, respectively.

Fair Value Accounting – The carrying amounts reported on the balance sheets for cash and cash equivalents, deposits, prepaid expenses and all components of total current liabilities approximate fair value due to the immediate or short-term maturity of the instruments comprising these items. The Company utilized Level 1 inputs to value the aforementioned assets and liabilities at the balance sheet dates.

Revenue Recognition – The Company derives its revenue from the sale of oil as a non-operator of the Prospect. Each month the Company estimates the amount of production that will be delivered to purchasers and the price per barrel that will be received. Variances between the Company's estimated revenue and actual payment are recorded in the month the payment is received. If estimated production is not readily determinable, revenue will not be recorded until the Company receives payment.

Net Loss per Common Share – The computation of net loss per common share is based on the weighted average number of shares outstanding during the periods presented. No potentially dilutive securities or derivative instruments are outstanding.

Major Customers – The Company has entered into an agreement with the operator of the Prospect to allow them the exclusive right to develop the Prospect and to dispose of any oil or gas derived there from.

Income Taxes – The Company follows the provisions of uncertain tax positions as addressed in FASB ASC 740-10-65-1 and uses the asset and liability method of accounting for income taxes. Under this method deferred tax assets and liabilities are determined based on differences between financial reporting and the tax basis of assets and liabilities and are measured using enacted tax rates to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. An allowance against deferred tax assets is recorded when it is more likely than not that such tax benefits will not be realized.

Note 2: Oil and Gas Operations

The Company's oil and gas producing activities are exploratory and are undertaken in one geographic location within the United States of America. The Company acquired its interest in the Prospect during 2009 for $35,750 and entered into an agreement to participate in the drilling of an initial test well. The Company's share of the costs for the initial test well, including the acquisition cost of the Prospect was $296,042. The intended total depth the Well was to the Pennsylvania Reef formation at approximately 7,800 feet; however, this zone was determined to be non-commercial and $241,860 of the Company's cost was impaired in the year ended September 30, 2009. The Well was subsequently completed in a shallower formation, the Lower Spraberry, at approximately 6,400 feet in November 2009 and commenced producing oil. However, as a result of the low rates of production, the Company further impaired the Well during the three months ended December 31, 2009 in the amount of $28,402. During this same period, $1,662 was recognized as depreciation, depletion and amortization using the units of production method. During the year ended December 31, 2010, the Company recognized an additional $1,463 of depreciation, depletion and amortization using the units of production method and determined that the Well was not commercially productive. As a result, an additional $22,655 was recognized as an impairment of the Prospect.

Note 3: Common Stock

Since its inception the Company has forward split its common stock on a basis of 15 for 1 and reverse split its common stock on a basis of 1 for 18 (collectively the "Post-Split Stock"). During the year ended September 30, 2009, the net effect of these stock splits was reflected on the Company's Statement of Stockholders' Equity through the issuance of 6,983 shares of Post-Split Stock. This resulted in an increase in the common stock classification by $7 and a decrease in the paid-in capital classification by the same amount. The Statement of Stockholders' Equity has been restated to reflect the Post-Split Stock for all common stock transactions retroactively.

During 2008 the Company issued 500,000 shares of its Post-Split Stock to a limited number of individuals for total consideration of $1,500,000 or $3.00 per share.

Note 4: Available-for-sale Securities

At September 30, 2008, the Company owned available-for-sale securities that represented debt instruments, which matured during the year ended September 30, 2009. During the year ended September 30, 2009 the Company recognized no loss or gain on the disposition of the available-for-sale securities, but recognized interest and dividend income. Unrealized holding gain and losses for available-for-sale securities are excluded from earnings and reported in other comprehensive income until realized.

Note 5: Related Party Transactions

The Company's 600 square foot executive office located in Redlands, California, is being leased on a month-to-month basis from a stockholder of the Company at a rate of $1,100 per month. A $1,000 deposit was paid at the commencement of the lease and at December 31, 2010 and 2009, the Company had prepaid one month of rent. Total rent expense paid for the year ended December 31, 2010, the three months ended December 31, 2009 and the year ended December 31, 2009 was $12,700, $3,000 and $12,000, respectively.

Note 6: Income Taxes

At December 31, 2010, the Company has a net operating loss carry forward of approximately $697,000 that expires if unused through 2030 and a deferred tax asset in the amount of approximately $126,500. No tax benefit has been reported in the financial statements since the potential tax benefit is offset by a valuation allowance of approximately the same amount. The Company follows the provisions of uncertain tax positions as addressed in FASB ASC 740-10-65-1. The Company recognized no increase in the liability for unrecognized tax benefits.

The Company has no tax position at December 31, 2010 and 2009 for which the ultimate deductibility is highly certain but for which there is uncertainty about the timing of such deductibility. The Company did not recognize any accrued interest related to unrecognized tax benefits or operating expenses as a result of penalties, during the periods presented.

Note 7: Subsequent Events

In January 2011 the Company elected not to participate with the operator in an additional recompletion and work over of the Well and as a result of this election, the Company will be receiving a production payment upon the sale its proportionate share of oil in the tanks at the time of this election. At the present time the Company is not able to reasonably estimate the amount of revenue that it should receive or the timing of such payment; consequently, no receivable has been recorded on the Company's balance sheet at December 31, 2010. The Company's balance sheet as of December 31, 2010 does not reflect any financial interest in the Prospect.

The Company evaluated all events and transactions that occurred after December 31, 2010 and through March 31, 2011, the date the Company issued these financial statements. During this period, the Company did not have any material recognizable subsequent events.

Exhibit 31.1

Certification

I, Robert “Steve” Owens, certify that:

1. I have reviewed this annual report on Form 10-K of Ring Energy, Inc. for the year ended December 31, 2010;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: March 31, 2011

/s/ Robert “Steve” Owens
Robert “Steve” Owens, President & Treasurer
(Principal Executive Officer and Principal
Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Ring Energy, Inc. (the "Company") on Form 10-K for the year ended December 31, 2010, as filed with the Securities and Exchange Commission (the "Report"), the undersigned principal executive and financial officer of the Company, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 31, 2011

/s/ Robert "Steve" Owens
Robert "Steve" Owens, President & Treasurer
(Principal Executive Officer and Principal Financial Officer)