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Ring Energy, Inc. Announces Capital Expenditure Budget of an Estimated \$23 Million for Remainder of 2016

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Targeting Early August to Initiate Horizontal Drilling Program

MIDLAND, Texas--(BUSINESS WIRE ^[1])--Ring Energy, Inc. (NYSE MKT: REI) ("Ring") ("Company") announced today a capital expenditure budget ("CAPEX") of approximately \$23 million for the remainder of 2016. The budget targets seven vertical wells and three horizontal wells to be drilled. The Company continues to look for acquisition opportunities but has made no provision in its 2016 budget for any acquisition.

The majority of the budget will be spent on Ring's Central Basin Platform. Starting in the second quarter, the Company plans to drill two new vertical wells each quarter. In addition, the Company plans to drill three horizontal wells beginning in early August. The Company also plans to drill one new vertical well on its Delaware Basin property in late second or early third quarter 2016. Also included in the 2016 budget are ongoing remedial work, continued upgrading of existing infrastructure and leasing activity at both the Central Basin and Delaware Basin assets.

Assuming an average realized price of \$40 per BOE ("Barrel of Oil Equivalent") for the balance of 2016, funding for the 2016 CAPEX budget will come from existing cash flow from operations and capital received from the Company's common stock offering completed on April 26, 2016.

The outstanding principal balance and any interest due on the Company's \$500 million senior secured credit facility were paid off with proceeds from the common stock offering.

The 2016 CAPEX budget is subject to change based on market conditions, commodity price changes, rig availability, drilling results, possible acquisition opportunities and general operational results.

Mr. Kelly Hoffman, the Company's Chief Executive Officer, remarked, "With the recent completion of the Company's common stock offering, we are pleased to announce our CAPEX for the remainder of 2016. We have eliminated our long term debt and are ready to start our development program, which includes the drilling of three horizontal wells on Ring's Central Basin property. Our staff has done an extensive job of monitoring neighboring operators and their results. We firmly believe we have a tremendous opportunity and are excited to get started."

[About Ring Energy, Inc.](#)

Ring Energy, Inc. is an oil and gas exploration, development and production company with current operations in Texas and Kansas.

www.ringenergy.com ^[2]

Safe Harbor Statement

This release contains forward-looking statements within the meaning of the "safe-harbor" provisions of the Private Securities Litigation Reform Act of 1995 that involve a wide variety of risks and uncertainties, including, 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, 2015 and its other filings with the SEC. Readers and investors are cautioned that the Company's actual results may differ materially from those described in the forward-looking statements due to a number of factors, including, but not limited to, the Company's ability to acquire productive oil and/or gas properties or to successfully drill and complete oil and/or gas wells on such properties, general economic conditions both domestically and abroad, and the conduct of business by the Company, and other factors that may be more fully described in additional documents set forth by the Company.

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