



Published on *Ring Energy Investor Center* (<https://investor.ringenergy.com>) on 7/14/16 3:05 pm CDT

Ring Energy, Inc. Announces Second Quarter 2016 Operations Update

Release Date:

Thursday, July 14, 2016 3:05 pm CDT

Terms:

Dateline City:

MIDLAND, Texas

MIDLAND, Texas--([BUSINESS WIRE](#) ^[1])--Ring Energy, Inc. (NYSE MKT: REI) ("Ring") ("Company") today announced its operations update for the second quarter of 2016. In the three months ended June 30, 2016, the Company drilled and completed two new vertical development wells and refraced two existing wells on Ring's Central Basin Platform ("CBP") asset, as well as drilled one new vertical well on its Delaware Basin property. As of June 30, 2016 the well had not been completed. In addition, the Company continued upgrades to its gas gathering system and began the infrastructure necessary for the Company's three well horizontal drilling program scheduled to begin in early August.

As a result, net production for the second quarter of 2016 was approximately 191,000 BOEs (Barrel of Oil Equivalent), as compared to net production of 177,650 BOEs for the same quarter in 2015, a 7.5% increase, and net production of 225,500 for the first quarter of 2016, a 15.3% decrease. June 2016 average net daily production was approximately 2,290 BOEs, as compared to daily production of 2,475 BOEs in June 2015, a decrease of 7.5%. The average estimated price received per BOE in the second quarter 2016 was \$36.66.

Mr. Kelly Hoffman, Ring's Chief Executive Officer, stated, "As we outlined on our first quarter conference call, we drilled two new vertical development wells and refraced two existing wells on our CBP. In addition, we drilled one new development well in the second quarter on our Delaware Basin property and expect it to be completed in the next few weeks. Unfortunately, all three of the new development wells were drilled late in the second quarter, and although we were able to complete the two CBP wells, production did not begin soon enough to have any impact on our overall quarterly production. In the Delaware Basin, we drilled through the Cherry Canyon formation, which currently is responsible for approximately 90% of the daily production coming from our Delaware Basin asset, to gather additional data and core samples from the deeper Brushy Canyon formation. The information is currently being evaluated and will be used in the future formulation of a horizontal drilling program in the Brushy Canyon formation. Although we have not analyzed all of the information gathered, we are very encouraged by the initial results. We have continued to upgrade our existing infrastructure in preparation for our three-well horizontal program scheduled to begin in early August. During the second quarter we estimate we lost approximately 17,000 BOE's due to a combination of mechanical, weather and gas purchaser related issues. Barring those items, our second quarter production would have been in line with our projections showing less than an 8% decline from the first quarter. We continue to aggressively seek opportunities for growth, either through acquisition, leasing or organically, and have been successful in adding additional acreage, specifically in the Central Basin Platform, which directly offsets our current acreage."

[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, its Form 10-Q for the quarter ended March 31, 2016 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.

Language:

English

Contact:

K M Financial, Inc.
Bill Parsons, 702-489-4447

Ticker Slug:

Ticker: REI

Exchange: NYSEMKT

Source URL: <https://investor.ringenergy.com/press-release/ring-energy-inc-announces-second-quarter-2016-operations-update>

Links:

[1] <http://www.businesswire.com>

[2] <http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.ringenergy.com&esheet=51381699&newsitemid=20160714006249&lan=en-US&anchor=www.ringenergy.com&index=1&md5=1978ea7b007c907a664d021299e8333d>