

Underwritten RBL Case Study: Ring Energy

August 2022

\$1,000,000,000



Senior Secured
Revolving Credit Facility

*The Undersigned Acted as
Joint Lead Arranger, Joint
Bookrunner and Co-
Syndication Agent*

KeyBanc
Capital Markets


Transaction Summary

On August 31, 2022, KeyBanc Capital Markets (“KBCM”) as Joint Lead Arranger, Joint Bookrunner and Co-Syndication Agent closed the syndication on a senior secured revolving credit facility for Ring Energy, Inc. (“Ring” or the “Company”) to facilitate Ring’s acquisition (the “Acquisition”) of the assets of privately-held Stronghold Energy II Operating, LLC and Stronghold Energy II Royalties, LP (collectively, “Stronghold”). The \$1.0 billion senior secured revolving credit facility’s borrowing base increased to \$600.0 million. A portion of this financing was underwritten by KBCM.

The Acquisition

On July 5, 2022, Ring announced it had entered into an agreement to acquire the assets of Stronghold for \$465.0 million. The acquired assets included net production of ~9.1 MBoe/d from ~605 producing wells and ~37,000 net acres.

About Ring Energy

Founded in 2004, Ring started trading on the NYSE in September 2013. Ring’s management team has sought to acquire select low decline, and long-lived oil and gas properties in the Permian Basin with development opportunities for future years. The Company’s producing assets are located in the Permian Basin, specifically the Central Basin Platform, the Northwest Shelf, and the Delaware Basin. Pro forma for the Acquisition, the Company’s total proved reserves increased by ~90% to ~87.0 MMBoe, and its 4Q22E net production increased by ~100% to ~18.0-19.0 MBoe/d.