

RAM ENERGY RESOURCES INC
Form 10-Q/A
August 10, 2007
UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q/A

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

For the quarterly period ended March 31, 2007

OR

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

For the transition period from _____ to _____

Commission File Number: 000-50682

RAM Energy Resources, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

1311
(Primary Standard Industrial
Classification Code Number)

20-0700684
(I.R.S. Employer Identification Number)

5100 East Skelly Drive, Suite 650, Tulsa, OK 74135

(Address of principal executive offices)

(918) 663-2800

(Registrant's telephone number, including area code)

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(Former name, former address and former fiscal year, if changed since last report)

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 twelve 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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

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

Yes No

At April 30, 2007, 41,153,530 shares of the Registrant's Common Stock were outstanding.

EXPLANATORY NOTE

On August 9, 2007, we amended our Annual Report on Form 10-K for the fiscal year ended December 31, 2006, as filed with the Securities and Exchange Commission on April 2, 2007. The Form 10-K/A was filed to restate our prior period financial statements to:

Clarify the accounting treatment of the reverse merger recapitalization of RAM Energy, Inc.; and

Revise our Statements of Stockholders' Deficit and to make corresponding changes to the related reported earnings per share.

We are amending our Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, as filed with the Securities and Exchange Commission on May 14, 2007, to:

Amend Part I - Financial Information, to

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- (a) Revise our condensed consolidated balance sheets to reflect changes in stockholders' deficit;
- (b) Revise our condensed consolidated statements of operations to reflect changes to our basic and diluted weighted average shares outstanding and basic and diluted earnings (loss) per share.

Revise Item 4 Controls and procedures to advise of the filing of our Form 10-K/A and comment on the effect thereof.

Amend Part II Item 6 Exhibits to include certifications by our Chief Executive Officer and Chief Financial Officer.

For more information regarding the restatement, please refer to note K to our unaudited condensed consolidated financial statements.

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ITEM 1 FINANCIAL STATEMENTS

RAM Energy Resources, Inc.

Condensed consolidated balance sheets (in thousands, except share and per share amounts)

| | March 31, 2007 (unaudited) | December 31, 2006 |
|--|----------------------------------|----------------------|
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 29,287 | \$ 6,721 |
| Accounts receivable - | | |
| Oil and natural gas sales | 6,137 | 6,194 |
| Joint interest operations, net of allowance of \$189 (\$187 at December 31, 2006) | 338 | 750 |
| Income taxes | 121 | 121 |
| Other, net of allowance of \$43 (\$33 at December 31, 2006) | 109 | 236 |
| Derivative assets | - | 677 |
| Prepaid expenses | 749 | 1,013 |
| Other current assets | 141 | - |
| Total current assets | 36,882 | 15,712 |
| PROPERTIES AND EQUIPMENT, AT COST: | | |
| Oil and natural gas properties and equipment, using full cost accounting | 189,705 | 185,284 |
| Other property and equipment | 6,137 | 6,098 |
| | 195,842 | 191,382 |
| Less accumulated amortization and depreciation | (52,042) | (48,577) |
| Total properties and equipment | 143,800 | 142,805 |
| OTHER ASSETS: | | |
| Deferred loan costs, net of accumulated amortization of \$5,036 (\$4,840 at December 31, 2006) | 2,397 | 2,593 |
| Other | 618 | 615 |
| Total assets | \$ 183,697 | \$ 161,725 |

LIABILITIES AND STOCKHOLDERS' DEFICIT

CURRENT LIABILITIES:

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| | | |
|---|----------|----------|
| Accounts payable: | | |
| Trade | \$ 4,644 | \$ 7,810 |
| Oil and natural gas proceeds due others | 2,665 | 3,886 |
| Related party | 16 | 14 |
| Other | 39 | 31 |
| Accrued liabilities: | | |
| Compensation | 1,842 | 1,611 |
| Interest | 4,267 | 3,849 |
| Income taxes | 334 | 223 |
| Derivative liabilities | 83 | - |

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| | | |
|---|------------|------------|
| Long-term debt due within one year | 28,823 | 756 |
| Total current liabilities | 42,713 | 18,180 |
| OIL & NATURAL GAS PROCEEDS DUE OTHERS | 2,510 | 2,481 |
| DERIVATIVE LIABILITIES | 335 | - |
| LONG-TERM DEBT | 103,122 | 131,481 |
| DEFERRED AND OTHER NON-CURRENT INCOME TAXES | 26,337 | 26,677 |
| ASSET RETIREMENT OBLIGATIONS | 10,916 | 10,801 |
| COMMITMENTS AND CONTINGENCIES | - | - |
| STOCKHOLDERS' DEFICIT: | | |
| Common stock, \$0.0001 par value, 100,000,000 shares authorized; 41,990,805 and 34,276,805 shares issued; 41,153,530 shares and 33,439,530 shares outstanding at March 31, 2007 and December 31, 2006, respectively | 4 | 3 |
| Additional paid-in capital | 29,846 | 2,308 |
| Treasury Stock - 837,275 shares at cost | (3,768) | (3,768) |
| Accumulated deficit | (28,318) | (26,438) |
| Stockholders' deficit | (2,236) | (27,895) |
| Total liabilities and stockholders' deficit | \$ 183,697 | \$ 161,725 |

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

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RAM Energy Resources, Inc.

Condensed consolidated statements of operations
(in thousands, except share and per share amounts)
(unaudited)

| | | |
|--------------------------------------|--------------------|------------|
| | Three months ended | |
| | March 31, | |
| | 2007 | 2006 |
| REVENUES AND OTHER OPERATING INCOME: | (Restated) | (Restated) |
| Oil and natural gas sales | \$ 15,144 | \$ 16,810 |

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| | | |
|--|-------------------|-------------------|
| Other | 203 | 244 |
| Realized and unrealized gains (losses) from derivatives | (1,084) | 1,408 |
| Total revenues and other operating income | 14,263 | 18,462 |
| OPERATING EXPENSES: | | |
| Oil and natural gas production taxes | 824 | 810 |
| Oil and natural gas production expenses | 4,527 | 4,306 |
| Depreciation and amortization | 3,425 | 3,213 |
| Accretion expense | 146 | 133 |
| Share-based compensation | 173 | - |
| General and administrative, overhead and other expenses, net of operator s overhead fees | 2,346 | 1,959 |
| Total operating expenses | 11,441 | 10,421 |
| Operating income | 2,822 | 8,041 |
| OTHER INCOME (EXPENSE): | | |
| Interest expense | (3,838) | (3,529) |
| Interest income | 207 | 27 |
| INCOME (LOSS) BEFORE INCOME TAXES | (809) | 4,539 |
| INCOME TAX PROVISION (BENEFIT) | (229) | 1,725 |
| Net income (loss) | \$ (580) | \$ 2,814 |
| BASIC EARNINGS (LOSS) PER SHARE | \$ (0.02) | \$0.11 |
| BASIC WEIGHTED AVERAGE SHARES OUTSTANDING | 37,209,392 | 26,492,286 |
| DILUTED EARNINGS (LOSS) PER SHARE | \$ (0.02) | \$0.11 |
| DILUTED WEIGHTED AVERAGE SHARES OUTSTANDING | 37,209,392 | 26,492,286 |

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

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RAM Energy Resources, Inc.

Condensed consolidated statements of cash flows
(in thousands)
(unaudited)

| | Three months ended | |
|---|--------------------|----------|
| | 2007 | 2006 |
| OPERATING ACTIVITIES: | | |
| Net income (loss) | \$ (580) | \$ 2,814 |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities - | | |
| Depreciation and amortization | 3,425 | 3,213 |
| Amortization of deferred loan costs and Senior Notes discount | 206 | 353 |
| Accretion expense | 146 | 133 |
| Loss on sale of other property and equipment | - | 27 |
| Unrealized (gain) loss on derivatives | 1,054 | (2,979) |
| Deferred income taxes | (340) | 1,725 |
| Share-based compensation | 173 | - |
| Changes in operating assets and liabilities, net of acquisitions | | |

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| | | |
|---|---------------|--------------|
| Accounts receivable | 596 | 724 |
| Prepaid expenses and other assets | 123 | (8) |
| Accounts payable | (4,377) | 222 |
| Accrued liabilities | (463) | 1,705 |
| Total adjustments | 543 | 5,115 |
| Net cash (used in) provided by operating activities | (37) | 7,929 |
| INVESTING ACTIVITIES: | | |
| Payments for oil and natural gas properties and equipment | (4,468) | (5,155) |
| Proceeds from sales of oil and natural gas properties | 47 | 33 |
| Payments for other property and equipment | (39) | (425) |
| Net cash used in investing activities | (4,460) | (5,547) |
| FINANCING ACTIVITIES: | | |
| Payments on long-term debt | (338) | (4,097) |
| Proceeds from borrowings on long-term debt | 35 | 3,357 |
| Payments for deferred loan costs | - | (100) |
| Common stock offering, net of direct costs | 27,366 | - |
| Dividends paid | - | (500) |
| Net cash provided by (used in) financing activities | 27,063 | (1,340) |
| INCREASE IN CASH AND CASH EQUIVALENTS | 22,566 | 1,042 |
| CASH AND CASH EQUIVALENTS, beginning of period | 6,721 | 70 |

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| | | |
|--|-----------|----------|
| CASH AND CASH EQUIVALENTS, end of period | \$ 29,287 | \$ 1,112 |
| SUPPLEMENTAL CASH FLOW INFORMATION: | | |
| Cash paid for income taxes | \$ - | \$ 25 |
| Cash paid for interest | \$ 4,487 | \$ 1,667 |
| DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES: | | |
| Accrued interest added to principal balance of credit facility | \$ - | \$ 2,026 |

The accompanying notes are an integral part of these condensed consolidated financial statements

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RAM Energy Resources, Inc.

Notes to unaudited condensed consolidated financial statements

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A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ORGANIZATION AND BASIS OF PRESENTATION

1. Basis of Financial Statements

The accompanying unaudited condensed consolidated financial statements present the financial position at March 31, 2007 and December 31, 2006 and the results of operations and cash flows for the three-month periods ended March 31, 2007 and 2006 of RAM Energy Resources, Inc. and its subsidiaries (the Company). These condensed consolidated financial statements include all adjustments, consisting of normal and recurring adjustments, which, in the opinion of management, are necessary for a fair presentation of the financial position and the results of operations for the indicated periods. The results of operations for the three months ended March 31, 2007 are not necessarily indicative of the results to be expected for the full year ending December 31, 2007. Reference is made to the Company's consolidated financial statements for the year ended December 31, 2006, for an expanded discussion of the Company's financial disclosures and accounting policies.

2. Nature of Operations and Organization

On May 8, 2006, Tremis Energy Acquisition Corporation, or Tremis, acquired RAM Energy, Inc., or RAM Energy, through the merger of a subsidiary of Tremis into RAM Energy. The merger was accomplished pursuant to the terms of an Agreement and Plan of Merger dated October 20, 2005, as amended, among Tremis, its subsidiary, RAM Energy and the stockholders of RAM Energy. Upon completion of the merger, RAM Energy became a wholly-owned subsidiary of Tremis and Tremis changed its name to RAM Energy Resources, Inc.

Tremis was formed in February 2004 to effect a merger, capital stock exchange, asset acquisition or other similar business combination with an unidentified operating business in either the energy or the environmental industry. Prior to the consummation of the merger, Tremis did not engage in an active trade or business. Prior to the merger, RAM Energy was a privately held, independent oil and natural gas company engaged in the acquisition, exploration, exploitation and development of oil and natural gas properties and the production of oil and natural gas.

Upon consummation of the merger, the stockholders of RAM Energy received an aggregate of 25,600,000 shares of Tremis common stock and \$30.0 million of cash. The merger agreement provided, among other things, that, prior to the consummation of the merger, RAM Energy was entitled to either pay its stockholders a one-time extraordinary dividend or effect one or more redemptions of a portion of its outstanding stock, although the aggregate amount of such cash payments to the RAM Energy stockholders could not exceed the difference between \$40.0 million and the aggregate amount of cash they would receive from Tremis in the merger. On April 6, 2006, RAM Energy redeemed a portion of its outstanding stock for an aggregate consideration of \$10.0 million.

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The merger has been accounted for as a reverse acquisition. Because Tremis had no active business operations prior to consummation of the merger, the merger has been accounted for as a recapitalization of RAM Energy and RAM Energy has been treated as the acquirer and continuing reporting entity for accounting purposes. The assets and liabilities of Tremis have been stated at historical cost, and added to those of RAM Energy.

The Company operates exclusively in the upstream segment of the oil and gas industry with activities including the drilling, completion, and operation of oil and gas wells. The Company conducts the majority of its operations in the states of Texas, Louisiana, Oklahoma and New Mexico.

3. 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions that, in the opinion of management of the Company are significant include oil and natural gas reserves, amortization relating to oil and natural gas properties, asset retirement obligations and income taxes.

4. Earnings (Loss) Per Share

SFAS No. 128, *Earnings per Share*, requires a dual presentation of basic and diluted income per share (EPS). Basic EPS excludes dilution and is computed by dividing net income (loss) attributable to common stockholders by the weighted average of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock (e.g. common stock options, grants and warrants) were exercised into common stock. Potential common shares in the diluted EPS computation are excluded for the three-month period ended March 31, 2007, as their effect would be anti-dilutive. A reconciliation of earnings or loss and weighted average shares used in computing basic and diluted EPS is as follows for the three months ended March 31 (in thousands, except share and per share amounts):

| | 2007 (Restated) | 2006 (Restated) |
|--|--------------------|--------------------|
| Net income (loss) | \$ (580) | \$ 2,814 |
| Weighted average shares basic and diluted | 37,209,392 | 26,492,286 |
| Net income (loss) per share -basic and diluted | \$ (0.02) | \$0.11 |

5. Recently Issued Accounting Pronouncements

Effective January 1, 2007, the Company adopted Financial Accounting Standards Board (FASB) Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, an interpretation of FASB Statement No. 109 (FIN 48). The Interpretation prescribes guidance for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. To recognize a tax position, the

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enterprise determines whether it is more likely than not that the tax position will be sustained upon examination, including resolution of any related appeals or litigation, based solely on the technical merits of the position. A tax position that meets the more likely than not threshold is measured to determine the amount of benefit to be recognized in the financial statements. The amount of tax benefit recognized with respect to any tax position is measured as the largest amount of benefit that is greater than 50 percent likely of being realized upon settlement.

The cumulative effect of applying FIN 48 must be reported as an adjustment to the opening balance of retained earnings in the year of adoption. The net impact of the cumulative effect of adopting FIN 48 was a \$1.3 million decrease to retained earnings, with a corresponding increase to

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accrued interest related to uncertain tax positions.

The Company had unrecognized tax benefits of approximately \$9.6 million as of January 1, 2007. These unrecognized tax benefits, if recognized, would be recorded as a reduction of income tax expense. There have been no material changes to these amounts during the quarter ended March 31, 2007.

The Company recognizes related interest and penalties as a component of income tax expense. Approximately \$1.3 million of interest has been accrued at January 1, 2007 related to uncertain tax positions.

The Company expects that these unrecognized tax benefits will decrease by \$3.7 million over the next twelve months, due to the expiration of the statute of limitations on certain open tax years. Tax years open for audit by federal and state tax authorities as of the date of adoption are the years ended December 31, 2003, 2004, and 2005. Tax years ending prior to 2003 are open for audit to the extent that net operating losses generated in those years are being carried forward or utilized in an open year. The Company is not currently under audit by any federal or state taxing authorities.

In September 2006, the Financial Accounting Standards Board issued SFAS No. 157 Fair Value Measurements (SFAS No. 157), which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. SFAS No. 157 is effective for financial statements issued for fiscal years beginning on or after November 15, 2007. SFAS No. 157 applies under other accounting pronouncements that require or permit fair value measurements, however, it does not require any new fair value measurements. In some instances, the application of SFAS No. 157 will change current accounting practices. The Company is currently evaluating the impact of adopting SFAS No. 157.

B - DERIVATIVE CONTRACTS

During 2007 and 2006, the Company entered into numerous derivative contracts. The Company did not formally designate these transactions as hedges as required by SFAS No. 133 in order to receive hedge accounting treatment. Accordingly, all gains and losses on the derivative financial instruments have been recorded in the statements of operations.

The Company's derivative positions at March 31, 2007 are shown in the following table:

| Crude Oil (Bbls) | | Natural Gas (Mmbtu) | |
|------------------|----------|---------------------|----------|
| Floors | Ceilings | Floors | Ceilings |

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| | per day | Price | per day | Price | per day | Price | per day | Price |
|---------|---------|---------|---------|---------|---------|--------|---------|---------|
| Collars | | | | | | | | |
| 2007 | 1,500 | \$52.67 | 1,500 | \$73.02 | 4,000 | \$7.62 | 4,000 | \$11.67 |
| 2008 | 950 | \$53.69 | 950 | \$86.08 | 4,000 | \$6.87 | 4,000 | \$13.53 |
| 2009 | 800 | \$50.00 | 800 | \$65.00 | 4,000 | \$7.00 | 4,000 | \$12.40 |

| | | | Secondary Floors | |
|------------------|-----|---------|---------------------|---------|
| Secondary Floors | | | | |
| 2007 | - | - | 4,000 | \$12.00 |
| 2008 | - | - | - | - |
| 2009 | 800 | \$75.00 | - | - |

Crude oil floors and ceilings for 2007 cover April through December. Natural gas floors and ceilings for 2007 cover May through December. Natural gas secondary floors for 2007 are for May through October. Floors and ceilings for both crude oil and natural gas cover the calendar year 2008. Crude oil floors and ceilings and natural gas floors and ceilings for 2009 cover January through March. Crude oil secondary floors for 2009 cover January through March.

The Company's derivative positions at December 31, 2006 are shown in the following table:

| | Crude Oil (Bbls) | | | | Natural Gas (Mmbtu) | | | |
|------------------|------------------|---------|----------|---------|---------------------|---------|----------|---------|
| | Floors | | Ceilings | | Floors | | Ceilings | |
| | per day | Price | per day | Price | per day | Price | per day | Price |
| Collars | | | | | | | | |
| 2007 | 1,500 | \$52.67 | 1,500 | \$73.24 | 4,177 | \$7.48 | 4,177 | \$11.58 |
| 2008 | 950 | \$53.69 | 950 | \$86.08 | 4,000 | \$6.87 | 4,000 | \$13.53 |
| Secondary Floors | | | | | | | | |
| 2007 | - | - | | | 4,000 | \$12.00 | | |

Crude oil contracts cover each month of 2007 and natural gas contracts are for February through December 2007. Natural gas secondary floors for 2007 are for April through October. Crude oil contracts and natural gas contracts for 2008 are for January through December.

The Company measured the fair value of its derivatives at March 31, 2007 and December 31, 2006 based on quoted market prices. Accordingly, a liability of \$418,000 and an asset of \$677,000 were recorded in the consolidated balance sheets at March 31, 2007 and at December 31, 2006, respectively.

C - LONG-TERM DEBT

Long-term debt consists of the following (in thousands):

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| | March 31, 2007 | December 31, 2006 |
|--|-------------------|----------------------|
| 11.5% Senior Notes due 2008, net of discount | \$ 28,361 | \$ 28,351 |
| Credit facility | 103,000 | 103,000 |
| Installment loan agreements | 584 | 886 |
| | 131,945 | 132,237 |
| Less amount due within one year | 28,823 | 756 |
| | \$ 103,122 | \$ 131,481 |

1. Senior Notes

In February 1998 the Company completed the sale of \$115.0 million of 11.5% Senior Notes due 2008 in a public offering of which \$28.4 million remained outstanding at December 31, 2006 and 2005. The Senior Notes are senior unsecured obligations of the Company and are redeemable at the option of the Company in whole or in part, at any time on or after February 15, 2005, at prices ranging from 111.5% to 103.8% of face amount to their scheduled maturity in 2008.

The indenture under which the Senior Notes were issued contained certain covenants, including covenants that limited (i) incurrence of additional indebtedness and issuances of disqualified capital stock, (ii) restricted payments, (iii) dividends and other payments affecting subsidiaries, (iv) transactions with affiliates and outside directors' fees, (v) asset sales, (vi) liens, (vii) lines of business, (viii) merger, sale or consolidation and (ix) non-refundable acquisition deposits.

In November 2002 the Company recognized a gain (net of unamortized deferred offering and original issue discount costs and transaction fees) of \$32.9 million as a result of the purchase of \$63.475 million face amount of the Senior Notes. The Senior Notes, plus accrued interest of \$1.988 million, were purchased at 46% of face amount and were canceled by the Company. The Company utilized borrowings under its revolving credit agreement and available cash to purchase the Senior Notes.

In connection with the Company's November 2002 purchase of the Senior Notes, the indenture was amended to eliminate the covenant limitations described above.

At March 31, 2007 and December 31, 2006, respectively, the unamortized original issue discount associated with the Notes totaled approximately \$35,000 and \$45,000, respectively.

2. Revolving Credit Facility

On April 5, 2006, RAM Energy obtained a \$300.0 million senior secured credit facility, consisting of a \$150.0 million, five-year term loan facility and a \$150.0 million four-year revolving credit facility. RAM Energy Resources, Inc. is not a party to or a guarantor of obligations under this credit facility.

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At closing, \$50.0 million of the revolving credit facility was immediately available, and \$90.0 million of the term loan was advanced. The remainder of the term loan facility will be available, subject to approval of the

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lenders, for certain future needs, including acquisitions. The revolving credit facility will mature in April, 2010, during which time amounts may be borrowed and repaid as often as needed, subject to a borrowing base limitation that is re-determined semi-annually, based on oil and gas reserves. The term loan facility will mature in April, 2011, with permitted prepayments after the first year, subject to a prepayment premium in the second and third years of the term. Advances under the revolving credit facility will bear interest at LIBOR plus 2% per annum, while amounts outstanding under the term loan will bear interest at LIBOR plus 5.5% to 6.0% per annum. Obligations under the credit facility are secured by a first lien on substantially all of the assets of RAM Energy and its subsidiaries. The initial advance under the credit facility was used to refinance the previous credit facility, and to fund the pre-merger redemption payment permitted by the merger agreement. Subsequent advances may be used to:

repurchase all of RAM Energy's outstanding 11.5% senior notes (\$28.4 million principal amount); and

for general working capital purposes.

The credit facility contains financial covenants requiring RAM Energy to maintain certain ratios, including a current ratio, a ratio of earnings before interest, taxes, depreciation and amortization, or EBITDA, to interest expense, a ratio of total indebtedness to EBITDA, and a ratio of asset value to total indebtedness. In addition, the credit facility contains other affirmative and negative covenants customary in lending transactions of this nature, including the maintenance by RAM Energy of hedging contracts for a minimum and maximum amount of projected oil and natural gas production from its properties. RAM Energy was in compliance with all of its covenants in the credit facility or had obtained waivers for non-compliance at March 31, 2007.

D - SUBSIDIARY GUARANTORS

RAM Energy Resources, Inc. is not a party to, or a guarantor of obligations under, RAM Energy's outstanding 11.5% senior notes due 2008. RAM Energy's senior notes are fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis, by all current and future subsidiaries of RAM Energy which are referred to as the "Subsidiary Guarantors". The following table sets forth condensed consolidating financial information of the Subsidiary Guarantors. Currently there are no restrictions on the ability of the Subsidiary Guarantors to transfer funds to RAM Energy in the form of cash dividends, loans or advances.

The following represents the condensed consolidating balance sheets for RAM Energy Resources, Inc. ("Parent"), RAM Energy Inc. and its subsidiaries at March 31, 2007 and December 31, 2006 (in thousands):

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| <u>March 31, 2007</u> | <u>Parent</u> | <u>RAM Energy,</u> | <u>Subsidiary</u> | <u>Consolidating</u> | <u>Total</u> |
|--|---------------|--------------------|-------------------|----------------------|---------------------|
| | | <u>Inc.</u> | <u>Guarantors</u> | <u>Adjustments</u> | <u>Consolidated</u> |
| | | | | | <u>Amounts</u> |
| Current assets | \$ 28,354 | \$ (9,905) | \$ 32,598 | \$ (14,165) | \$ 36,882 |
| Property and equipment, net | 3 | 14,769 | 129,028 | - | 143,800 |
| Investment in subsidiaries | (30,633) | 44,352 | - | (13,719) | - |
| Other assets | 1 | 2,874 | 140 | - | 3,015 |
| Total assets | \$ (2,275) | \$ 52,090 | \$ 161,766 | \$ (27,884) | \$ 183,697 |
| Current liabilities | \$ 1,606 | \$ 48,275 | \$ 5,697 | \$ (14,165) | \$ 41,413 |
| Long-term debt | - | 20,574 | 82,548 | - | 103,122 |
| Other non-current liabilities | - | 3,703 | 10,058 | - | 13,761 |
| Deferred income taxes | (2,945) | 10,171 | 19,111 | - | 26,337 |
| Total liabilities | (1,339) | 82,723 | 117,414 | (14,165) | 184,633 |
| Stockholders' equity (deficit) | (936) | (30,633) | 44,352 | (13,719) | (936) |
| Total liabilities and stockholders' equity (deficit) | \$ (2,275) | \$ 52,090 | \$ 161,766 | \$ (27,884) | \$ 183,697 |

| <u>December 31, 2006</u> | <u>Parent</u> | <u>RAM Energy,</u> | <u>Subsidiary</u> | <u>Consolidating</u> | <u>Total</u> |
|-----------------------------|---------------|--------------------|-------------------|----------------------|---------------------|
| | | <u>Inc.</u> | <u>Guarantors</u> | <u>Adjustments</u> | <u>Consolidated</u> |
| | | | | | <u>Amounts</u> |
| Current assets | \$ 1,464 | \$ 3,044 | \$ 34,113 | \$ (22,909) | \$ 15,712 |
| Property and equipment, net | 4 | 13,780 | 129,021 | - | 142,805 |
| Investment in subsidiaries | (30,723) | 42,684 | - | (11,961) | - |
| Other assets | 1 | 3,069 | 138 | - | 3,208 |
| Total assets | \$ (29,254) | \$ 62,577 | \$ 163,272 | \$ (34,870) | \$ 161,725 |
| Current liabilities | \$ 1,191 | \$ 30,379 | \$ 9,519 | \$ (22,909) | \$ 18,180 |
| Long-term debt | - | 48,945 | 82,536 | - | 131,481 |

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| | | | | | |
|--|-------------|-----------|------------|-------------|------------|
| Other non-current liabilities | - | 3,339 | 9,943 | - | 13,282 |
| Deferred income taxes | (2,550) | 10,637 | 18,590 | - | 26,677 |
| Total liabilities | (1,359) | 93,300 | 120,588 | (22,909) | 189,620 |
| Stockholders' equity (deficit) | (27,895) | (30,723) | 42,684 | (11,961) | (27,895) |
| Total liabilities and stockholders' equity (deficit) | \$ (29,254) | \$ 62,577 | \$ 163,272 | \$ (34,870) | \$ 161,725 |

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The following represents the condensed consolidating statements of operations and statements of cash flows for RAM Energy Resources, Inc. (Parent), RAM Energy Inc. and its subsidiaries for the three months ended March 31, 2007 and 2006 (in thousands):

| | <u>Parent</u> | <u>RAM Energy, Inc.</u> | <u>Subsidiary Guarantors</u> | <u>Consolidating Adjustments</u> | <u>Total Consolidated Amounts</u> |
|---|---------------|-----------------------------|----------------------------------|--------------------------------------|---|
| <u>Three months ended March 31, 2007</u> | | | | | |
| Operating revenues | \$ - | \$ 948 | \$ 13,315 | \$ - | \$ 14,263 |
| Operating expenses | 1,122 | 1,404 | 8,915 | - | 11,441 |
| Operating income (loss) | (1,122) | (456) | 4,400 | - | 2,822 |
| Other income (expense) | 258 | 80 | (2,213) | (1,756) | (3,631) |
| Income (loss) before income taxes | (864) | (376) | 2,187 | (1,756) | (809) |
| Income taxes | (284) | (466) | 521 | - | (229) |
| Net income (loss) | \$ (580) | \$ 90 | \$ 1,666 | \$ (1,756) | \$ (580) |
| Cash flows (used in) provided by operating activities | \$ (509) | \$ 1,982 | \$ (1,510) | \$ - | \$ (37) |
| Cash flows (used in) investing activities | - | (1,723) | (2,737) | - | (4,460) |
| Cash flows provided by (used in) financing activities | 27,355 | (308) | 16 | - | 27,063 |
| Increase (decrease) in cash and cash equivalents | 26,846 | (49) | (4,231) | - | 22,566 |

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| | | | | | |
|--|-----------|--------|--------|------|-----------|
| Cash and cash equivalents, beginning of period | 1,347 | 749 | 4,625 | - | 6,721 |
| Cash and cash equivalents, end of period | \$ 28,193 | \$ 700 | \$ 394 | \$ - | \$ 29,287 |

| | <u>Parent</u> | <u>RAM Energy, Inc.</u> | <u>Subsidiary Guarantors</u> | <u>Consolidating Adjustments</u> | <u>Total Consolidated Amounts</u> |
|---|---------------|-----------------------------|----------------------------------|--------------------------------------|---|
| <u>Three months ended March 31, 2006</u> | | | | | |
| Operating revenues | \$ - | \$ 3,078 | \$ 15,384 | \$ - | \$ 18,462 |
| Operating expenses | - | 1,686 | 8,735 | - | 10,421 |
| Operating income | - | 1,392 | 6,649 | - | 8,041 |
| Other income (expense) | - | 2,478 | (2,115) | (3,865) | (3,502) |
| Income (loss) before income taxes | - | 3,870 | 4,534 | (3,865) | 4,539 |
| Income taxes | - | 1,056 | 669 | - | 1,725 |
| Net income (loss) | \$ - | \$ 2,814 | \$ 3,865 | \$ (3,865) | \$ 2,814 |
| Cash flows provided by operating activities | \$ - | \$ 1,006 | \$ 6,923 | \$ - | \$ 7,929 |
| Cash flows (used in) investing activities | - | (609) | (4,938) | - | (5,547) |
| Cash flows (used in) financing activities | - | (649) | (691) | - | (1,340) |

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| | | | | | |
|--|------|--------|--------|------|----------|
| Increase (decrease) in cash and cash equivalents | - | (252) | 1,294 | - | 1,042 |
| Cash and cash equivalents, beginning of period | - | 617 | (547) | - | 70 |
| Cash and cash equivalents, end of period | \$ - | \$ 365 | \$ 747 | \$ - | \$ 1,112 |

Due to intercompany allocations among the parent and its subsidiaries, the above condensed consolidating information is not intended to present the Company's subsidiaries on a stand-alone basis.

E - COMMITMENTS AND CONTINGENCIES

In April 2002, a lawsuit was filed in the District Court for Woods County, Oklahoma against RAM Energy, certain of its subsidiaries and various other individuals and unrelated companies, by a lessor of certain oil and gas leases from which production was sold to a gathering system owned and operated by Magic Circle Energy Corporation (Magic Circle) or its wholly-owned subsidiary, Carmen Field Limited Partnership (CFLP). The lawsuit covers the period from 1977 to a current date. In 1998, both Magic Circle and CFLP became wholly-

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owned subsidiaries of RAM Energy. The lawsuit was filed as a class action on behalf of all royalty owners under leases owned by any of the defendants during the period Magic Circle or CFLP owned and operated the gathering system. The petition claims that additional royalties are due because Magic Circle and CFLP resold oil and gas purchased at the wellhead for an amount in excess of the price upon which royalty payments were based and paid no royalties on natural gas liquids extracted from the gas at plants downstream of the system. Other allegations include under-measurement of oil and gas at the wellhead by Magic Circle and CFLP, failure to pay royalties on take or pay settlement proceeds and failure to properly report deductions for post-production costs in accordance with Oklahoma's check stub law.

RAM Energy and other defendants have filed answers in the lawsuit denying all material allegations set out in the petition. The Company believes that fair and proper accounting was made to the royalty owners for production from the subject leases and intends to vigorously defend the lawsuit. Plaintiffs have not specified an amount of claim, nor the time period covered. Management is unable to estimate a range of potential loss, if any, related to this lawsuit, and accordingly no amounts have been recorded in the consolidated financial statements. In the event the court should find RAM Energy and its related defendants liable for damages in the lawsuit, a former joint venture partner is contractually obligated to pay a portion of any damages assessed against the defendant lessees up to a maximum contribution of approximately \$2.8 million. In addition, upon consummation of the merger, the former stockholders of RAM Energy deposited in escrow 3,200,000 shares of Company common stock received by such stockholders in the merger as a fund to indemnify the Company against any and all loss, cost, liability or expense incurred by the Company or any of its subsidiaries, including RAM Energy and its subsidiaries, arising out of matters specified in the merger agreement, including the lawsuit. These shares will remain in escrow until final disposition of the lawsuit.

The Company is also involved in legal proceedings and litigation in the ordinary course of business. In the opinion of management, the outcome of such matters will not have a material adverse effect on the Company's financial position or results of operations.

F - CAPITAL STOCK

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On May 8, 2006, the Company acquired RAM Energy by merger in exchange for an issuance of 25,600,000 shares of common stock and \$30.0 million in cash. RAM Energy is now a wholly-owned subsidiary of the Company. As a result of the merger, RAM Energy was recapitalized so that the historical basis of its assets and liabilities remain intact. The only operations of the parent company included in the results of operations for 2006 are those that occurred subsequent to the date of the merger.

Also, on May 8, 2006, the shareholders of the Company approved the Company's 2006 Long-Term Incentive Plan (the "Plan"), effective upon the consummation of the Company's acquisition by merger of RAM Energy. The Company reserved a maximum of 2,400,000 shares of its common stock for issuance under the Plan. At the request of the grantees, the Company may repurchase shares to satisfy the grantees' federal and state income tax withholding requirements, as permitted by the Plan. Any repurchased shares will be held by the Company as treasury stock. As of March 31, 2007, we had remaining a maximum of 1,209,195 shares of common stock reserved for issuance upon the exercise of options that may be granted and pursuant to awards that may be made under the Plan.

The Company granted Incentive Stock Awards under the Plan as set forth in the following table. Each of the grants (except the grants made on May 8, 2006) vests in equal increments over a five-year period from the date

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of grant. The Incentive Stock Awards granted on May 8, 2006 vested in full on June 8, 2006. At the request of certain of the grantees, on June 8, 2006, the Company repurchased 98,100 of these shares at \$6.04 per share, the closing market price of the Company's common stock as of that date, to satisfy the grantees' federal and state income tax withholding requirements, as permitted by the Plan. The repurchased shares are held by the Company as treasury stock at March 31, 2007.

| Date | Shares Granted | | Date | Shares Repurchased | |
|-------------------|----------------|---------------|--------------|--------------------|---------------|
| | Number | Closing Price | | Number | Closing Price |
| May 8, 2006 | 330,000 | \$ 6.72 | June 8, 2006 | 98,100 | \$ 6.04 |
| November 10, 2006 | 646,805 | \$ 5.06 | | | |
| March 12, 2007 | 200,000 | \$ 4.18 | | | |
| March 19, 2007 | 14,000 | \$ 4.25 | | | |

On September 22, 2006, the Company purchased 739,175 shares of its common stock in a privately negotiated transaction. The purchase price was \$4.295 per share, and the shares are included in treasury stock at March 31, 2007.

On February 13, 2007, the Company completed a public offering in which it issued 7,500,000 shares of its common stock, priced at \$4.00 per share. Net proceeds of the offering were \$27.4 million and will be used to provide additional working capital for general corporate purposes, including acquisition, development, exploitation and exploration of oil and natural gas properties, and reduction of indebtedness.

G - DEFERRED COMPENSATION

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On April 21, 2004 RAM Energy adopted a Deferred Bonus Compensation Plan (the "Deferred Bonus Plan") for its senior management employees. The Deferred Bonus Plan was designed to provide additional compensation for significant business transactions with a portion of each bonus to be deferred to encourage retention of key employees. During 2005 three members of senior management were granted awards. Each award provides for a total cash compensation of \$75,000 and vests on each anniversary date for three years beginning on July 1, 2005. Receipt of the award is contingent on the members being employed on the anniversary date. Should there be a change of control or involuntary termination, as defined in the award contract, each member will become fully vested in his award. Compensation expense is recorded on a straight-line basis. No awards were granted during 2006 or for the quarter ended March 31, 2007.

H - FINANCIAL CONDITION AND MANAGEMENT PLANS

The financial statements of the Company have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As shown in the condensed consolidated financial statements, for the three months ended March 31, 2007, the Company reported a net loss of approximately \$580,000 as compared to net income of \$2.8 million for the three months ended March 31, 2006. The condensed consolidated financial statements also show a total stockholder's deficit of approximately \$936,000 and a working capital deficit of \$4.5 million at March

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31, 2007. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

Management believes that the combination of borrowings currently available to the Company under its revolving credit facility of \$37.0 million, the remaining balance of unrestricted cash and cash flows from operations will be sufficient to satisfy its currently expected capital expenditures, working capital and debt service obligations for the foreseeable future. The actual amount and timing of future capital requirements may differ materially from estimates as a result of, among other things, changes in product pricing and regulatory, technological and competitive developments. Sources of additional financing may include commercial bank borrowings, vendor financing and the sale of natural gas and oil properties or equity or debt securities. Management cannot assure that any such financing will be available on acceptable terms or at all.

I - RELATED PARTY TRANSACTIONS

For the three months ended March 31, 2006, approximately \$50,000 of expenses for the shareholders of RAM Energy are included in general and administrative expenses in the consolidated statements of operations, some of which may be personal in nature. These expenses were incurred by RAM Energy prior to its acquisition by the Company.

J SUBSEQUENT EVENTS

On May 10, 2007, the Company executed a definitive agreement with an unaffiliated, privately held company to purchase leases on which there are 120 wells in the Permian Basin area of Southeast New Mexico and West Texas. The Company is acquiring a 100 percent working interest in all of the leases and will become the operator at closing, which is scheduled for May 15, 2007. The aggregate purchase price for the wells is \$18.5 million and is subject to customary closing conditions and adjustments.

K RESTATEMENT

The accompanying consolidated financial statements for the three months ended March 31, 2007 and 2006 have been restated as described below.

1) *Recalculation of weighted average shares outstanding and earnings per share.*

The stockholders of RAM Energy, Inc. received 25,600,000 shares of Tremis common stock and \$30 million in cash upon consummation of a merger on May 8, 2006. We have accounted for the merger as a reverse acquisition, treated as a recapitalization of RAM Energy, Inc. However, our original statements of stockholders' deficit reflect the historical shares held by the Tremis shareholders, rather than the shares issued in the merger with RAM Energy, Inc., the accounting acquirer. Accounting for a reverse merger requires that the past share activity of the entity gaining control be recast using the exchange ratio to reflect the equivalent number of shares received in the acquisition, while also adjusting common stock and additional paid-in capital for any difference in par value of the stock. Accordingly, we have restated the shares outstanding and earnings per share as summarized in the table below:

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| | 3/31/2007 | 3/31/2006 |
|---|------------|-------------|
| Net income (loss) (in thousands) | \$ (580) | \$ 2,814 |
| AS ORIGINALLY REPORTED: | | |
| Weighted average shares - basic | 37,856,197 | 2,273 |
| Dilutive effect of stock options | - | 81 |
| Weighted average shares - diluted | 37,856,197 | 2,354 |
| Basic earnings per share | \$ (0.02) | \$ 1,238.01 |
| Diluted earnings per share | \$ (0.02) | \$ 1,195.41 |
| AS RESTATED: | | |
| Weighted average shares - basic and diluted | 37,209,392 | 26,492,286 |
| Earnings per share - basic and diluted | \$ (0.02) | \$ 0.11 |

2) *Recalculation of weighted average shares outstanding at March 31, 2007.*

Weighted average shares outstanding for the three months ended March 31, 2007 were restated to exclude 646,805 restricted shares issued and granted on November 1, 2006, but not vested. This change does not have any effect on earnings or earnings per share.

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The change to weighted average shares outstanding for the three months ended March 31, 2007 is summarized below:

| | |
|---|------------|
| AS ORIGINALLY REPORTED | 37,856,197 |
| Restricted shares issued November 1, 2006 | (646,805) |
| AS RESTATED | 37,209,392 |

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The carrying amounts reported in our consolidated balance sheets for cash and cash equivalents, trade receivables and payables, installment notes and variable rate long-term debt approximate their fair values.

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Based on management estimates, the fair value of RAM Energy's senior notes exceeded their carrying value at March 31, 2007 by approximately \$0.7 million.

Interest Rate Risk

We are exposed to changes in interest rates. Changes in interest rates affect the interest earned on our cash and cash equivalents and the interest rate paid on our borrowings, other than the RAM Energy's senior notes. We have not used interest rate derivative instruments to manage our exposure to interest rate changes.

Oil and Natural Gas Marketing and Derivative Status

Our revenue, profitability and future growth depend substantially on prevailing prices for oil and natural gas. Prices also affect the amount of cash flow available for capital expenditures and our ability to borrow and raise additional capital. Lower prices may also reduce the amount of oil and natural gas that we can economically produce. We currently sell most of our oil and natural gas production under market price contracts.

During the quarter ended March 31, 2007, Shell Trading-US accounted for \$8.9 million, or approximately 59% and Targa Midstream Services accounted for \$1.7 million, or approximately 11%, of our revenue from the sales of oil and natural gas.

To reduce exposure to fluctuations in oil and natural gas prices and to achieve more predictable cash flow, we periodically utilize various derivative strategies to manage the price received for a portion of our future oil and natural gas production. We have not established derivatives in excess of our expected production.

ITEM 4 CONTROLS AND PROCEDURES

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we evaluated the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, or the Exchange Act) as of March 31, 2007. On the basis of this review, our management, including our principal executive officer and principal financial officer, concluded that our disclosure controls and procedures are designed, and are effective, to give reasonable assurance that the information required to be disclosed by us in reports that we file under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and to ensure that information required to be disclosed in the reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, in a manner that allows timely decisions regarding required disclosure. We did not effect any change in our internal controls over financial reporting during the quarter ended March 31, 2007 that has materially affected, or is reasonable likely to materially affect, our internal control over financial reporting.

Our principal executive officer (CEO) and principal financial officer (CFO) evaluated, together with other members of senior management, the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of March 31, 2007. Based on this review, our CEO and CFO concluded that, as of December 31, 2006, our disclosure controls and procedures were effective, despite the

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restatement discussed below, to ensure that information required to be disclosed by us in our reports that we file or submit under the Exchange Act (i) is recorded, processed, summarized and reported within the time periods specified in the SEC s rules and forms and (ii) is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

On August 9, we filed an amended 10-K and restated our financial statements as of December 31, 2006 and 2005 to change the accounting for outstanding common shares and related earnings per share related to our reverse acquisition that closed in May 2006. The restatement was isolated to one component of accounting for a reverse acquisition, a transaction that is non-routine and which will not occur again in the future, and did not affect our earnings. Our CEO and CFO concluded that this one-time restatement did not constitute a material weakness in our internal control over financial reporting.

As part of our adoption of Sarbanes-Oxley Section 404, effective for the Company as of December 31, 2007, we are evaluating our controls over the accounting for non-routine transactions and will enhance such controls as we determine necessary.

There has been no other change in our internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d) - 15(f)) during the quarter ended March 31, 2007 that has materially effected, or is reasonably likely to materially effect, our internal control over financial reporting.

Forward-Looking Statements

The description of our plans and expectations set forth herein, including expected capital expenditures and acquisitions, are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These plans and expectations involve a number of risks and uncertainties. Important factors that could cause actual capital expenditures, acquisition activity or our performance to differ materially from the plans and expectations include, without limitation, our ability to satisfy the financial covenants of our outstanding debt instruments and to raise additional capital; our ability to manage our business successfully and to compete effectively in our business against competitors with greater financial, marketing and other resources, and adverse regulatory changes. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We undertake no obligation to update or revise these forward-looking statements to reflect events or circumstances after the date hereof including, without limitation, changes in our business strategy or expected capital expenditures, or to reflect the occurrence of unanticipated events.

PART II

ITEM 6 EXHIBITS

| <u>Exhibit No.</u> | <u>Description</u> | <u>Method of Filing</u> |
|--------------------|---|-------------------------|
| 3.1 | Amended and Restated Certificate of Incorporation of the Registrant. | (1) [3.1] |
| 3.2 | Amended and Restated Bylaws of the Registrant. | (13) [3.2] |
| 20 | | |
| 4.1 | Specimen Unit Certificate. | (1) [4.1] |
| 4.2 | Specimen Common Stock Certificate. | (1) [4.2] |
| 4.3 | Specimen Warrant Certificate. | (12) [4.3] |
| 4.4 | Form of Unit Purchase Option granted to EarlyBirdCapital, Inc. | (2) [4.4] |
| 4.5 | Form of Warrant Agreement between Continental Stock Transfer & Trust Company and the Registrant. | (12) [4.5] |
| 4.6 | Indenture dated as of February 24, 1998 among RAM Energy, Inc., the Subsidiary Guarantors named therein, and United States Trust Company of New York, Trustee. | (7) [4.1] |
| 4.6.1 | Supplemental Indenture dated February 24, 1998 among RAM Energy, Inc., the Subsidiary Guarantors named therein, and United States Trust Company of New York, Trustee. | (8) [4.6.1] |
| 4.6.2 | Second Supplemental Indenture dated as of November 22, 2002 among RAM Energy, Inc., the Subsidiary Guarantors and The Bank of New York, Successor to United States Trust Company of New York, as trustee. | (8) [4.6.2] |

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| | | |
|--------|--|---------------|
| 4.6.3 | Third Supplemental Indenture dated as of April 29, 2004 among RAM Energy, Inc., the Subsidiary Guarantors and The Bank of New York, Successor to United States Trust Company of New York, as trustee. | (8) [4.6.3] |
| 4.6.4 | Fourth Supplemental Indenture dated as of December 17, 2004 among RAM Energy, Inc., The Bank of New York, Successor to United States Trust Company of New York, as trustee, RWG Energy, Inc., WG Operating, Inc., WG Royalty Company, Wise County Construction Company, LLC, and WG Pipeline LLC, as Additional Subsidiary Guarantors. | (8) [4.6.4] |
| 10.1 | Form of Stock Escrow Agreement between the Registrant, Continental Stock Transfer & Trust Company and the Initial Stockholders. | (2) [10.6] |
| 10.2 | Form of Registration Rights Agreement among the Registrant and the Initial Stockholders. | (2) [10.9] |
| 21 | | |
| 10.2.1 | Amendment to Registration Rights Agreement among this Registrant and the Founders dated May 8, 2006. | (1) [10.9.1] |
| 10.3 | Agreement and Plan of Merger dated October 20, 2005 among Registrant, RAM Acquisition, Inc., RAM Energy, Inc. and the Stockholders of RAM Energy, Inc. | (3) [10.1] |
| 10.3.1 | Amendment No. 1, dated November 11, 2005, to Agreement and Plan of Merger dated October 20, 2005 among the Registrant, RAM Acquisition, Inc., RAM Energy, Inc. and the Stockholders of RAM Energy, Inc. | (4) [10.11] |
| 10.3.2 | Amendment No. 2, dated February 15, 2006, to Agreement and Plan of Merger dated October 20, 2005 among the Registrant, RAM Acquisition, Inc., RAM Energy, Inc. and the Stockholders of RAM Energy, Inc. | (6) [10.12] |
| 10.4 | Voting Agreement dated October 20, 2005 among the Registrant, the stockholders of RAM Energy, Inc. and certain security holders of the Registrant. | (3) [10.2] |
| 10.4.1 | Second Amended and Restated Voting Agreement | (5) [Annex D] |
| 10.5 | Lock-Up Agreement dated October 20, 2005 executed by the stockholders of RAM Energy, Inc. | (3) [10.4] |
| 10.6 | Employment Agreement between Registrant and Larry E. Lee dated May 8, 2006.* | (1) [10.15] |
| 10.6.1 | First Amendment to Employment Agreement between Registrant and Larry E. Lee dated October 18, 2006.* | (9) [10.1] |
| 10.7 | Escrow Agreement by and among the Registrant, Larry E. Lee and Continental Stock Transfer & Trust Company dated May 8, 2006. | (1) [10.16] |
| 10.8 | Registration Rights Agreement among Registrant and the investors signatory thereto dated May 8, 2006.* | (1) [10.17] |
| 10.9 | Form of Registration Rights Agreement among the Registrant and the Investors party thereto. | (3) [10.7] |
| 10.10 | Agreement between RAM and Shell Trading-US dated February 1, 2006. | (1) [10.22] |

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| | | |
|---------|---|----------------|
| 10.11 | Agreement between RAM and Targa dated January 30, 1998. | (1) [10.23] |
| 10.11.1 | Amendment to Agreement between RAM Energy and Targa dated effective as of April 1, 2006. | (10) [10.23.1] |
| 10.12 | Long-Term Incentive Plan of the Registrant. * | (5) [Annex C] |
| 10.13 | Third Amended and Restated Loan Agreement dated as of April 3, 2006, between RAM Energy, Inc., the lenders described therein, Guggenheim Corporate Funding, LLC as the Arranger and Administrative Agent, Wells Fargo Foothill, Inc., as the Documentation Agent, and WESTLB AG, New York Branch, as the Syndication Agent. | (11) [10.14] |
| 10.14 | Deferred Bonus Compensation Plan of RAM Energy, Inc. dated as of April 21, 2004* | (12) [10.14] |
| 31.1 | Certifications pursuant to Rule 13(a)-14(a)/15(d)-14(a) of the Chairman, President and Chief Executive Officer | ** |
| 31.2 | Certifications pursuant to Rule 13(a)-14(a)/15(d)-14(a) of the Senior Vice President and Chief Financial Officer | ** |
| 32.1 | Certifications pursuant to Section 1350 of the Chairman, President and Chief Executive Officer | ** |
| 32.2 | Certifications pursuant to Section 1350 of the Senior Vice President and Chief Financial Officer | ** |

* Management contract or compensatory plan or arrangement.

** Filed herewith.

(1) Filed as an exhibit to the Registrant's Current Report on Form 8-K filed on May 12, 2006, as the exhibit number indicated in brackets and incorporated by reference herein.

(2) Filed as an exhibit to the Registrant's Registration Statement on Form S-1 (SEC File No. 333-113583) as the exhibit number indicated in brackets and incorporated by reference herein.

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- (3) Filed as an exhibit to the Registrant's Current Report on Form 8-K filed on October 26, 2005, as the exhibit number indicated in brackets and incorporated by reference herein.
- (4) Filed as an exhibit to the Registrant's Current Report on Form 8-K/A filed on November 14, 2005, as the exhibit number indicated in brackets and incorporated by reference herein.
- (5) Included as an annex to the Registrant's Definitive Proxy Statement (No. 000-50682), dated April 12, 2006, as the annex letter indicated in brackets and incorporated by reference herein.
- (6) Filed as an exhibit to the Registrant's Current Report on Form 8-K/A filed on February 21, 2006, as the exhibit number indicated in brackets and incorporated by reference herein.
- (7) Filed as an exhibit to the Registration Statement on Form S-1 (SEC File No. 333-42641) of RAM Energy, Inc., as the exhibit number indicated in brackets and incorporated by reference herein.
- (8) Filed as an exhibit to the Registrant's Quarterly Report on Form 10-Q filed on August 14, 2006, as the exhibit number indicated in brackets and incorporated by reference herein.
- (9) Filed as an exhibit to the Registrant's Current Report on Form 8-K on October 20, 2006, as the exhibit number indicated in brackets and incorporated by reference herein.
- (10) Filed as an exhibit to Registrant's Form 8-K dated June 5, 2006 as the exhibit number indicated in brackets and incorporated by reference herein.
- (11) Filed as an exhibit to Registrant's Form 10-Q/A dated December 20, 2006 as the exhibit number indicated in brackets and incorporated by reference herein.
- (12) Filed as an exhibit to the Registrant's Registration Statement on Form S-1 (SEC File No. 333-138922) as the exhibit number indicated in brackets and incorporated by reference herein.
- (13) Filed as an exhibit to Registrant's Form 8-K dated February 2, 2007 as the exhibit number indicated in brackets and incorporated by reference herein.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

RAM ENERGY RESOURCES, INC.

August 9, 2007

/s/ Larry E. Lee

Name: Larry E. Lee

Title: Chairman, President and Chief Executive Officer

| <u>Exhibit No.</u> | <u>Description</u> | <u>Method of Filing</u> |
|--------------------|--|----------------------------------|
| 3.1 | Amended and Restated Certificate of Incorporation of the Registrant. | Incorporated herein by reference |
| 3.2 | Amended and Restated Bylaws of the Registrant. | Incorporated herein by reference |
| 4.1 | Specimen Unit Certificate. | Incorporated herein by reference |
| 4.2 | Specimen Common Stock Certificate. | Incorporated herein by reference |
| 4.3 | Specimen Warrant Certificate. | Incorporated herein by reference |
| 4.4 | Form of Unit Purchase Option granted to EarlyBirdCapital, Inc. | Incorporated herein by reference |
| 4.5 | Form of Warrant Agreement between Continental Stock Transfer & Trust Company and the Registrant. | Incorporated herein by reference |

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| | | |
|-------|---|----------------------------------|
| 4.6 | Indenture dated as of February 24, 1998 among RAM Energy, Inc., the Subsidiary Guarantors named therein, and United States Trust Company of New York, Trustee. | Incorporated herein by reference |
| 4.6.1 | Supplemental Indenture dated February 24, 1998 among RAM Energy, Inc., the Subsidiary Guarantors named therein, and United States Trust Company of New York, Trustee. | Incorporated herein by reference |
| 4.6.2 | Second Supplemental Indenture dated as of November 22, 2002 among RAM Energy, Inc., the Subsidiary Guarantors and The Bank of New York, Successor to United States Trust Company of New York, as trustee. | Incorporated herein by reference |
| 4.6.3 | Third Supplemental Indenture dated as of April 29, 2004 among RAM Energy, Inc., the Subsidiary Guarantors and The Bank of New York, Successor to United States Trust Company of New York, as trustee. | Incorporated herein by reference |
| 4.6.4 | Fourth Supplemental Indenture dated as of December 17, 2004 among RAM Energy, Inc., The Bank of New York, Successor to United States Trust Company of New York, as trustee, RWG Energy, Inc., WG | Incorporated herein by reference |

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Operating, Inc., WG Royalty Company, Wise County Construction Company, LLC, and WG Pipeline LLC, as Additional Subsidiary Guarantors.

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| 10.1 | Form of Stock Escrow Agreement between the Registrant, Continental Stock Transfer & Trust Company and the Initial Stockholders. | Incorporated herein by reference |
| 10.2 | Form of Registration Rights Agreement among the Registrant and the Initial Stockholders. | Incorporated herein by reference |
| 10.2.1 | Amendment to Registration Rights Agreement among this Registrant and the Founders dated May 8, 2006. | Incorporated herein by reference |
| 10.3 | Agreement and Plan of Merger dated October 20, 2005 among Registrant, RAM Acquisition, Inc., RAM Energy, Inc. and the Stockholders of RAM Energy, Inc. | Incorporated herein by reference |
| 10.3.1 | Amendment No. 1, dated November 11, 2005, to Agreement and Plan of Merger dated October 20, 2005 among the Registrant, RAM Acquisition, Inc., RAM Energy, Inc. and the Stockholders of RAM Energy, Inc. | Incorporated herein by reference |
| 10.3.2 | Amendment No. 2, dated February 15, 2006, to Agreement and Plan of Merger dated October 20, 2005 among the Registrant, RAM Acquisition, Inc., RAM Energy, Inc. and the Stockholders of RAM Energy, Inc. | Incorporated herein by reference |
| 10.4 | Voting Agreement dated October 20, 2005 among the Registrant, the stockholders of RAM Energy, Inc. and certain security holders of the Registrant. | Incorporated herein by reference |
| 10.4.1 | Second Amended and Restated Voting Agreement | Incorporated herein by reference |
| 10.5 | Lock-Up Agreement dated October 20, 2005 executed by the stockholders of RAM Energy, Inc. | Incorporated herein by reference |
| 10.6 | Employment Agreement between Registrant and Larry E. Lee dated May 8, 2006. | Incorporated herein by reference |
| 10.6.1 | First Amendment to Employment Agreement between Registrant and Larry E. Lee dated October 18, 2006. | Incorporated herein by reference |
| 10.7 | Escrow Agreement by and among the Registrant, Larry E. Lee and Continental Stock Transfer & Trust Company dated May 8, 2006. | Incorporated herein by reference |
| 10.8 | Registration Rights Agreement among Registrant and the investors signatory thereto dated May 8, 2006. | Incorporated herein by reference |
| 10.9 | Form of Registration Rights Agreement among the Registrant and the Investors party thereto. | Incorporated herein by reference |

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10.10 Agreement between RAM and Shell Trading-US dated February 1, 2006. Incorporated herein by reference

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10.11 Agreement between RAM and Targa dated January 30, 1998. Incorporated herein by reference

10.11.1 Amendment to Agreement between RAM Energy and Targa dated effective as of April 1, 2006. Incorporated herein by reference

10.12 Long-Term Incentive Plan of the Registrant. Incorporated herein by reference

10.13 Third Amended and Restated Loan Agreement dated as of April 3, 2006, between RAM Energy, Inc., the lenders described therein, Guggenheim Corporate Funding, LLC as the Arranger and Administrative Agent, Wells Fargo Foothill, Inc., as the Documentation Agent, and WESTLB AG, New York Branch, as the Syndication Agent. Incorporated herein by reference

10.14 Deferred Bonus Compensation Plan of RAM Energy, Inc. dated as of April 21, 2004 Incorporated herein by reference

31.1 Certifications pursuant to Rule 13(a)-14(a)/15(d)-14(a) of the Chairman, President and Chief Executive Officer Filed herewith electronically

31.2 Certifications pursuant to Rule 13(a)-14(a)/15(d)-14(a) of the Senior Vice President and Chief Financial Officer Filed herewith electronically

32.1 Certifications pursuant to Section 1350 of the Chairman, President and Chief Executive Officer Filed herewith electronically

32.2 Certifications pursuant to Section 1350 of the Senior Vice President and Chief Financial Officer Filed herewith electronically

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