

RAM ENERGY RESOURCES INC  
Form PREM14C  
October 26, 2007  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14C**

(RULE 14c-101)

SCHEDULE 14C INFORMATION

Information Statement Pursuant to Section 14(c)  
of the Securities Exchange Act of 1934 (Amendment No. )

Check the appropriate box:

- Preliminary information statement
- Confidential, for use of the Commission only (as permitted by Rule 14c-5(d)(2))**
- Definitive information statement

**RAM Energy Resources, Inc.**

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(Name of Registrant as Specified in its Charter)

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Payment of filing fee (check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14c-5(g) and 0-11.

(1) Title of each class of securities to which transaction applies:

Common Stock, par value \$.0001 per share

Warrants to purchase Common Stock, par value \$.0001 per share

- (2) Aggregate number of securities to which transaction applies:

**20,500,000** shares of Common Stock

**6,200,000** warrants, each warrant to purchase one share of Common Stock at an exercise price of \$5.00 per share

**6,200,000** shares of Common Stock issuable upon the exercise of warrants

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- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

The filing fee is based upon the sum of (a) 20,500,000 shares of Registrant's Common Stock, multiplied by the average of the high and low prices of a share of the Common Stock as reported by Nasdaq on October 22, 2007, (\$5.24 per share, or \$107,420,000 in the aggregate); (b) warrants to purchase 6,200,000 shares of Registrant's Common Stock with an exercise price of \$5.00 per share, multiplied by the average of the high and low prices of Registrant's Warrants as reported by Nasdaq on October 23, 2007 (\$0.67 per warrant, or \$4,154,000 in the aggregate), and (c) 6,200,000 shares of Registrant's Common Stock issuable upon the exercise of warrants, multiplied by the average of the high and low prices of a share of the Registrant's Common Stock as reported by Nasdaq on October 22, 2007, less \$31,000,000 (which is the aggregate of exercise prices for those warrants) (\$1,488,000). The filing fee was determined pursuant to Exchange Act Rule 0-11 by calculating a fee of .0000307 of the amount calculated pursuant to the preceding sentence.

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- (4) Proposed maximum aggregate value of transaction: \$113,062,000
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- (5) Total fee paid: \$3,471
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.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

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(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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**RAM ENERGY RESOURCES, INC.**

**5100 East Skelly Drive, Suite 650**

**Tulsa, Oklahoma 74135**

**Information Statement**

, 2007

To the Stockholders of RAM Energy Resources, Inc.:

This information statement is being furnished to the holders of common stock of RAM Energy Resources, Inc., which we refer to as RAM, to provide our stockholders with notice of corporate action to be taken, which has been approved by written consent in lieu of a meeting of stockholders. On October 16, 2007, RAM, Ascent Acquisition Corp., a wholly owned, recently formed subsidiary of RAM, which we refer to as Merger Sub, and Ascent Energy Inc., which we refer to as Ascent, entered into an Agreement and Plan of Merger, which we refer to as the merger agreement, providing for the merger of Merger Sub with and into Ascent, which we refer to as the merger. Upon completion of the merger, Ascent will become a wholly owned subsidiary of RAM.

The merger will be effective immediately upon filing a certificate of merger with the Delaware Secretary of State, or at such later time as may be agreed to by RAM and Ascent, which RAM will file as soon as practicable after the expiration of 20 days following the date on which this information statement was first mailed to our stockholders, which date was on or near the date that appears below, and on or after the conditions precedent to consummation of the merger have been satisfied or waived and the transactions contemplated by the merger agreement have been closed.

Completion of the merger is subject to several conditions, which are discussed in this information statement in the section entitled "The Merger Agreement - Conditions to Consummation of the Merger."

***No stockholder meeting will be held in connection with the matters discussed in this information statement. We are not asking you for a proxy and you are requested not to send us a proxy.***

Thank you for your continued interest in RAM Energy Resources, Inc.

Very truly yours,

LARRY E. LEE

*Chairman, President and*

*Chief Executive Officer*

This information statement is dated \_\_\_\_\_, 2007 and is first being sent or given to the RAM stockholders on or about \_\_\_\_\_, 2007.

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**QUESTIONS AND ANSWERS ABOUT THE MERGER**

The following questions and answers are intended to address briefly some commonly asked questions regarding the merger agreement and the merger. These questions and answers may not address all questions that may be important to you as a RAM stockholder. Please refer to the more detailed information contained elsewhere or incorporated by reference in this information statement and the documents referred to in this information statement.

**Q. What is the proposed transaction?**

A. RAM entered into the merger agreement, providing for a triangular merger in which Merger Sub will merge with and into Ascent. Upon completion of the merger, Ascent will be the surviving corporation and will become RAM's wholly owned subsidiary. The merger agreement provides that, upon consummation of the merger, RAM will pay total consideration consisting of:

\$185.0 million in cash, of which (i) \$20.0 million will be placed in escrow to serve as a source of funds to adjust for Ascent's closing date working capital deficiency, if any, and to indemnify RAM against, among other things, certain breaches of Ascent's covenants, representations and warranties under the merger agreement, and (ii) \$150,000 will be used to pay the expenses of a representative of certain Ascent security holders, which we refer to as the representative;

a number of shares of RAM common stock determined by dividing \$107.0 million by the weighted (based on daily trading volume) average closing price per share of RAM common stock as reported by NASDAQ for the ten trading day period ending on the third business day prior to consummation of the merger, subject to a minimum of 20,000,000 shares and a maximum of 20,500,000 shares (subject to rounding to eliminate fractional shares); and

warrants to purchase 6,200,000 additional shares of RAM common stock, which are exercisable on or before May 11, 2008 at an exercise price of \$5.00 per share, with terms identical in all material respects to RAM's currently outstanding publicly traded warrants.

The cash amount is subject to adjustment based on the combined amount of Ascent's working capital and reimbursable capital expenditures as of the closing date, which we refer to as the working capital adjustment. The cash amount and, in certain circumstances, the number of shares of RAM common stock to be issued in connection with the merger, are subject to adjustment based on the amount required to settle Ascent's hedging contracts determined as of four business days prior to the closing date. The cash amount is also subject to a tax allocation adjustment of \$30,000 at closing based upon certain tax allocations agreed upon by RAM and Ascent. The total consideration includes amounts to be paid to certain holders of Ascent's outstanding indebtedness and other obligations, and to holders of all of Ascent's outstanding shares of preferred stock, common stock and warrants to purchase common stock.

**Q. Has RAM obtained the financing necessary to fund the cash consideration to be paid in connection with the merger?**

A. Yes. We have received a commitment from Guggenheim Corporate Funding, LLC, or Guggenheim, to expand our existing credit facility to \$500.0 million which, when completed, will provide us with a source of funds sufficient to fund the cash consideration to be paid in connection with the merger.

**Q. Am I being asked to vote on the merger?**

A. No. The merger is what is commonly referred to as a triangular merger which, insofar as RAM is concerned, requires approval only by the board of directors of RAM, which has been obtained. This approval includes the adoption and approval of the merger agreement by RAM as the sole stockholder of Merger Sub.

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### **Q. Am I being asked to vote on the issuance of common stock in connection with the merger?**

A. No. The consideration to be paid in connection with the merger will include a maximum of 20,500,000 shares of RAM common stock (subject to rounding to eliminate fractional shares) and warrants to purchase an additional 6,200,000 shares of RAM common stock. The common stock and warrants of RAM are listed and traded on the NASDAQ Capital Market and, under the rules of the NASDAQ Capital Market, the issuance of those shares of RAM common stock and warrants must be approved by the holders of a majority of the outstanding shares of RAM common stock. This is because the number of shares of RAM common stock to be issued in connection with the merger, plus the shares of RAM common stock underlying the warrants to be issued in connection with the merger, will increase the number of the outstanding shares of RAM common stock by more than 20%. The requisite stockholder approval was obtained on \_\_\_\_\_, 2007 when a written consent was delivered by Larry E. Lee, Danish Knights, A Limited Partnership, and certain other stockholders of RAM who, collectively own shares of RAM common stock that represented approximately 63% of the total voting power of all outstanding shares of RAM common stock entitled to vote on the approval of the issuance of RAM common stock and warrants in connection with the merger. Therefore, your vote is not required and is not being sought. We are not asking you for a proxy and you are requested not to send us a proxy.

### **Q. Why did I receive this information statement?**

A. We have received the written consent by the holders of more than 50% of our outstanding common stock approving the issuance of our common stock and warrants pursuant to the merger agreement. Applicable securities regulations require that we provide you with information regarding this approval, even though your vote or consent is neither required nor requested to approve the merger or the issuance of our common stock and warrants pursuant to the merger agreement.

### **Q. Has RAM received an opinion of its financial advisor regarding the merger?**

A. Yes. RBC Capital Markets Corporation, or RBC, financial advisor to the RAM board of directors, delivered a written opinion dated October 1, 2007 to the RAM board of directors as to the fairness to RAM, from a financial point of view and as of the date of the opinion, of the total consideration to be paid in connection with the merger. See [The Merger Opinion of RAM's Financial Advisor](#) for a description of the procedures followed, assumptions made, matters considered and limitations on the scope of review undertaken. **RBC's opinion was provided to the RAM board of directors in connection with its evaluation of the total consideration to be paid by RAM in connection with the merger. RBC's opinion does not address any other aspect of the proposed merger.**

### **Q. Did our board of directors vote for the merger agreement?**

A. Yes. Our board of directors unanimously voted to approve the merger agreement and the merger. To review our board of directors' reasons for approving the merger agreement, see [The Merger RAM's Reasons for the Merger](#).

### **Q. What is required to complete the merger?**

A. We are not required to complete the merger unless a number of conditions are satisfied or waived. For a summary of the conditions that must be satisfied or waived prior to the completion of the merger, see [The Merger Agreement Conditions to Consummation of the Merger](#).

### **Q. How will the merger be treated for accounting purposes?**

A. The merger will be accounted for as an acquisition of Ascent by RAM under the purchase method of accounting in accordance with U.S. generally accepted accounting principles.

### **Q. When do you expect the merger to be completed?**

A. The merger will be effective immediately upon filing of a Certificate of Merger with the Delaware Secretary of State, which we anticipate filing as soon as practicable on or after the expiration of 20 days



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following the mailing of this information statement to our stockholders, and when the conditions precedent to consummation of the merger have been satisfied or waived and the transactions contemplated by the merger agreement have closed. RAM and Ascent are working to complete the merger by . However, the merger is subject to various conditions, and it is possible that factors outside the control of both companies could result in the merger being delayed or not being completed at all. There may be a substantial amount of time between your receipt of this information statement and the completion of the merger.

**Q. Do I need to send in my RAM common stock certificates?**

A. No. After the completion of the merger, you will continue to own your shares of RAM common stock.

**Q. Am I entitled to appraisal rights?**

A. No. You are not entitled to appraisal rights under the Delaware General Corporation Law, which we refer to as the DGCL, in connection with the merger.

**Q. Will I owe federal income taxes as a result of the merger?**

A. No. The merger will not result in any taxable gain or loss for federal income tax purposes to holders of RAM common stock.

**Q. Where can I find more information about RAM?**

A. We file periodic reports and other information with the Securities and Exchange Commission, or the SEC. You may read and copy this information at the SEC's public reference facilities. Please call the SEC at 1-800-SEC-0330 for information about these facilities. This information is also available on the Internet site maintained by the SEC at <http://www.sec.gov>. In addition, you may find more information about RAM by visiting our website at [www.ramenergy.com](http://www.ramenergy.com). For a more detailed description of the information available, please refer to the section in this information statement entitled "Where You Can Find More Information."

**Q. Who can help answer my questions?**

A. If you have questions about the merger after reading this information statement, require assistance or need additional copies of this information statement, please write or call Robert Phaneuf, Vice President, Corporate Development, RAM Energy Resources, Inc., 5100 East Skelly Drive, Suite 650, Tulsa, Oklahoma 74135; telephone number: (918) 632-2800.

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**SUMMARY**

This summary highlights important information that is contained in this information statement. Because this summary may not contain all of the information that is important to you, you should carefully read this entire information statement, the documents incorporated herein by reference and the other documents to which this information statement refers you for a more complete understanding of the merger. We have included page references in parentheses to direct you to the appropriate place in this information statement for a more complete description of the topics presented in this summary.

**The Companies (Page 8)**

***RAM Energy Resources, Inc.***

RAM is an independent oil and natural gas company engaged in acquisition, development, exploitation, exploration and production of oil and natural gas properties, primarily in Texas, Louisiana and Oklahoma.

RAM's principal executive office is located at 5100 East Skelly Drive, Suite 650, Tulsa, Oklahoma 74135 and its telephone number is (918) 663-2800.

***Ascent Energy Inc.***

Ascent is a privately owned independent oil and natural gas company engaged in acquisition, exploration and development of both conventional and unconventional oil and natural gas properties in Texas, Oklahoma, Louisiana and the Appalachian region.

Ascent's principal executive office is located at 4965 Preston Park Blvd., Suite 800, Plano, Texas 75093, and its telephone number is (972) 543-3900.

***Ascent Acquisition Corp.***

Merger Sub is a Delaware corporation and a wholly owned subsidiary of RAM. Merger Sub was organized in connection with the merger and has engaged in no activities other than those incident to its formation and completion of the merger.

Merger Sub's mailing address is c/o RAM Energy Resources, Inc., 5100 East Skelly Drive, Suite 650, Tulsa, Oklahoma 74135.

**The Merger and the Consideration (Pages 17 & 18)**

On the terms and subject to the conditions of the merger agreement and in accordance with Delaware law, at the effective time of the merger, Merger Sub will merge with and into Ascent. Ascent will survive the merger as a wholly owned subsidiary of RAM. In connection with the merger, RAM will pay total consideration consisting of a number of shares of RAM common stock determined by dividing \$107.0 million by the weighted (based on daily trading volume) average closing price per share of the RAM common stock as reported by NASDAQ for the ten trading day period ending on the third business day prior to consummation of the merger, subject to a minimum of 20,000,000 shares and a maximum of 20,500,000 shares (subject to rounding to eliminate fractional shares), plus warrants to purchase an additional 6,200,000 shares of RAM common stock, plus \$185.0 million in cash, of which \$20.0 million will be placed in escrow as a source of funds to adjust for Ascent's closing date working capital deficiency, if any, and to indemnify RAM against, among other things, certain breaches of covenants, representations and warranties by Ascent. The amount of cash is subject to the working capital adjustment and the tax allocation adjustment. The amount of cash and, in certain circumstances, the number of shares of RAM common stock, are subject to adjustment based on the amount required to settle Ascent's hedging



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contracts determined four business days prior to the closing date. The total consideration includes amounts to be paid to certain holders of Ascent's outstanding indebtedness and other obligations, and to all of Ascent's holders of outstanding shares of preferred stock, common stock and warrants to purchase common stock. The consummation of the merger will not result in a change of control of RAM. RAM expects to complete the merger by \_\_\_\_\_, 2007.

### **Approval of the Merger; Stockholder Action by Written Consent**

After careful consideration, the RAM board of directors unanimously approved the merger. Under the DGCL, approval of the merger does not require a vote by RAM stockholders because the merger, which is a triangular merger, is a transaction between a wholly owned subsidiary of RAM and Ascent. Thus, only approval by the RAM board of directors is required. However, the total consideration to be paid by RAM in connection with the merger will increase the number of outstanding shares of RAM common stock by more than 20%, which requires stockholder approval under NASDAQ rules. On \_\_\_\_\_, 2007, RAM received written consents approving the issuance of the common stock and warrants in connection with the merger from Larry E. Lee, Danish Knights, A Limited Partnership, and certain other stockholders of RAM, who collectively beneficially own approximately 63% of the voting power of RAM's outstanding common stock. As a result, no further vote of the RAM stockholders is required in connection with the merger.

### **Reasons for the Merger**

RAM believes that the merger is consistent with its business strategy and provides an attractive opportunity for it to add assets to its oil and natural gas portfolio in its core areas and in the Appalachian Devonian Shale area. RAM believes that the merger will provide significant growth opportunities represented by Ascent's assets, which will complement and enhance RAM's current and anticipated future operations and production in those regions. Furthermore, the addition of Ascent's assets is expected to make significant long-term contributions to RAM's cash flow.

### **The Merger Agreement (Page 17)**

The merger agreement is incorporated by reference to RAM's Form 8-K filed with the SEC on October 18, 2007. You should read the merger agreement in its entirety because it contains important provisions governing the terms and conditions of the merger.

### *What we need to do to complete the merger (Page 24)*

RAM and Ascent will complete the merger only if the conditions set forth in the merger agreement are met. These conditions include:

the approval by RAM's stockholders of the issuance of RAM common stock and warrants in connection with the merger, including shares of RAM common stock issuable upon exercise of the warrants (*this condition has been met*);

the adoption of the merger agreement by RAM as Merger Sub's sole stockholder (*this condition has been met*);

the adoption of the merger agreement by Ascent's stockholders (*this condition has been met*);

the absence of any order or injunction of any court of competent jurisdiction which prohibits the consummation of the merger or any of the other transactions contemplated by the merger agreement;

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the accuracy of the representations and warranties made by each party in the merger agreement other than any such inaccuracies or breaches that, individually or in the aggregate, would not be reasonably likely to have a material adverse effect on such party;

the performance by each party in all material respects of all obligations required to be performed by it under the merger agreement prior to the closing;

the receipt of all required governmental approvals, consents, authorizations and orders, with certain exceptions;

the solvency of Ascent immediately following the effective time of the merger;

the execution and delivery by RAM of a registration rights agreement with certain of Ascent's security holders;

the execution and delivery of a voting agreement by RAM and certain of the Ascent security holders;

the execution and delivery of lock-up letters by certain of the Ascent security holders;

RAM being ready, willing and able to pay off all indebtedness of Ascent as provided in the merger agreement;

the cash portion of the total consideration to be paid in connection with the merger, after giving effect to the adjustments provided in the merger agreement, exceeding the sum of Ascent's indebtedness to be repaid pursuant to the merger agreement, the cash payable to Ascent's stockholders, the \$20.0 million escrow deposit and the \$150,000 representative fund;

the release of certain recorded liens burdening Ascent's properties;

holders of not more than 5% of Ascent's common stock having properly exercised and not withdrawn a demand for appraisal under the DGCL in connection with the merger;

the execution and delivery of an escrow agreement among RAM, the representative and the escrow agent; and

satisfaction of the other conditions described under the caption "The Merger Agreement - Conditions to Consummation of the Merger. *Termination of the Merger Agreement (Page 26)*

The parties may terminate the merger agreement and abandon the merger at any time prior to the effective time:

by mutual written consent of RAM and Ascent;

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by either RAM or Ascent if:

the merger is not completed on or before \_\_\_\_\_, unless the material breach of the obligations of the party seeking to terminate the merger agreement proximately contributed to the failure to consummate the merger by that date;

any order permanently restraining, enjoining or otherwise prohibiting consummation of the merger shall become final and non-appealable, provided the party seeking to terminate the merger agreement shall have used all commercially reasonable best efforts to remove such order, decree or ruling; or

Ascent properties are damaged or destroyed by fire or other casualty or are taken under the right of eminent domain and as a result thereof the value of all of the properties is reduced by an amount exceeding \$25.0 million (net of insurance proceeds);

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by Ascent if:

there has been a breach of any representation or warranty or a material breach of any covenant or agreement made by RAM or Merger Sub in the merger agreement such that closing conditions to Ascent's obligation to effect the merger could not be satisfied because such breach is not curable or, if curable, is not cured within the earlier to occur of the date that is 20 days after written notice thereof is given by Ascent to RAM or Merger Sub ; and

by RAM if:

there has been a breach of any representation or warranty or a material breach of any covenant or agreement made by Ascent in the merger agreement such that closing conditions to RAM's or Merger Sub's obligation to effect the merger could not be satisfied because such breach is not curable or, if curable, is not cured within the earlier to occur of the date that is 20 days after written notice thereof is given by RAM to Ascent or .

**Material United States Federal Income Tax Considerations**

The merger is not intended to qualify as a reorganization for federal income tax purposes; however, RAM stockholders will not recognize gain or loss for federal income tax purposes upon the consummation of the merger.

**RAM Stockholders Do Not Have Appraisal Rights**

Under the DGCL, RAM stockholders do not have the right to dissent from the merger or to have the appraised fair value of shares of RAM common stock paid to them in cash.

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**THE COMPANIES**

**RAM Energy Resources, Inc.**

RAM was incorporated in Delaware on February 5, 2004 under the name Tremis Energy Acquisition Corporation. RAM's operations are conducted by and through its wholly owned, primary subsidiary, RAM Energy, Inc., which was established as a private oil and natural gas company in 1987. RAM acquired RAM Energy in May 2006. RAM did not engage in an active business prior to its acquisition of RAM Energy. RAM is an independent oil and natural gas company engaged in the acquisition, development, exploitation, exploration and production of oil and natural gas properties, primarily in Texas, Louisiana and Oklahoma. RAM's producing properties are located in highly prolific basins with long histories of oil and natural gas operations. RAM Energy has been active in these core areas since its inception in 1987 and has grown through a balanced strategy of acquisitions, development and exploratory drilling.

RAM's oil and natural gas assets are characterized by a combination of conventional and unconventional reserves and prospects. RAM has conventional and unconventional reserves and production in three main locations:

Electra/Burkburnett, Wichita and Wilbarger Counties, Texas;

Boonsville, Jack and Wise Counties, Texas; and

North Texas Barnett Shale, Jack and Wise Counties, Texas.

At December 31, 2006, RAM's estimated net proved reserves were 18.5 million barrels of oil equivalent, or MMBoe, of which approximately 59% were crude oil, 30% were natural gas and 11% were natural gas liquids, or NGLs. Based on prices RAM was receiving as of December 31, 2006, which were \$58.74 per barrel, or Bbl, of oil, \$36.51 per Bbl of NGLs and \$5.51 per thousand cubic feet, or Mcf, of natural gas, the present value of its estimated future net revenues from its proved reserves of its oil, natural gas and NGLs at December 31, 2006, discounted at an annual rate of 10%, which we refer to as PV-10 Value, was approximately \$269.9 million. RAM's standardized measure of discounted future cash flows as of December 31, 2006, as calculated in accordance with Statement of Financial Accounting Standards No. 69, *Disclosure About Oil and Gas Producing Activities*, or SFAS 69, was \$179.7 million. See Information About RAM for a reconciliation between RAM's December 31, 2006 PV-10 Value and its standardized measure as of the same date. At December 31, 2006, RAM's proved developed reserves comprised 71% of its total proved reserves, and the estimated reserve life for its total proved reserves was approximately 17 years.

At June 30, 2007, RAM's estimated proved reserves consisted of 19.3 MMBoe, with a PV-10 Value of \$344.3 million, based on prices RAM was receiving as of June 30, 2007, which were \$70.69 per Bbl of oil and \$6.39 per MMBtu of natural gas.

At December 31, 2006, RAM owned interests in approximately 2,900 wells and was the operator of leases upon which approximately 1,900 of these wells are located. The PV-10 Value attributable to RAM's interests in the properties operated by it represented approximately 94% of its aggregate PV-10 Value as of December 31, 2006. RAM also owns a drilling rig, various gathering systems, a natural gas processing plant, service rigs and a supply company that service its properties.

**Ascent Acquisition Corp.**

Merger Sub is a Delaware corporation and a wholly owned subsidiary of RAM. Merger Sub was organized in connection with the merger and has engaged in no activities other than those incident to its formation and the completion of the merger.

**Ascent Energy Inc.**

Ascent is a privately owned, independent oil and natural gas company engaged in the acquisition, exploration and development of both conventional and unconventional oil and natural gas properties in Texas, Oklahoma, Louisiana and the Appalachian region. Ascent operates substantially all of its properties.





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Based on reserve reports prepared by Netherland, Sewell & Associates, Inc. and LaRoche Petroleum Consultants, Ltd., Ascent's independent reserve engineering firms, its total proved reserves as of December 31, 2006 were approximately 81.9 billion cubic feet of natural gas equivalent, or Bcfe (equivalent to 13.6 MMBoe), of which 59% were proved developed producing, 9% were proved developed non-producing, and 32% were proved undeveloped. As of December 31, 2006, 61% of Ascent's total proved reserves were oil and NGLs. As of December 31, 2006, Ascent had interests in oil and natural gas leases covering approximately 175,273 net acres, including approximately 152,011 net undeveloped acres. As of December 31, 2006 the PV-10 Value of Ascent's proved reserves was \$193.6 million based on year-end posted prices of \$5.34 per MMBtu of natural gas and \$57.75 per Bbl of oil. Ascent's standardized measure of discounted future cash flows as of December 31, 2006, as calculated in accordance with SFAS 69, was \$ 169.6 million. See Information About Ascent for a reconciliation between Ascent's December 31, 2006 PV-10 Value and its standardized measure as of the same date.

Based on the reserve report prepared by Ascent's petroleum engineers and audited by Netherland, Sewell & Associates, Inc., Ascent's total proved reserves as of June 30, 2007 were approximately 116.1 Bcfe (equivalent to 19.4 MMBoe), of which 44% were proved developed producing, 7% were proved developed non-producing, and 49% were proved undeveloped. As of June 30, 2007, 49% of Ascent's total proved reserves were oil and NGLs. As of June 30, 2007, the PV-10 Value of Ascent's proved reserves was \$328.0 million based on period-end posted prices of \$6.57 per MMBtu of natural gas and \$67.25 per Bbl of oil. As of August 31, 2007, Ascent had interests in oil and natural gas leases covering approximately 102,293 net acres, including approximately 83,247 net undeveloped acres.

RAM prepared its own estimate of Ascent's proved reserves of oil, natural gas and NGLs as of June 30, 2007, using RAM's own assumptions, which estimate was audited by Netherland, Sewell & Associates, Inc. RAM has estimated that at June 30, 2007, Ascent's total proved reserves consisted of 18.6 MMBoe, of which 46% were proved developed producing, 7% were proved developed non-producing, and 47% were proved undeveloped. RAM also estimated the PV-10 Value of Ascent's proved reserves to be \$304.0 million as of June 30, 2007, based on prices of \$67.25 per Bbl of oil and \$6.57 per MMBtu of natural gas.

For purposes of this information statement, unless otherwise indicated, all further references to Ascent's proved reserves and PV-10 Value at June 30, 2007 are based on RAM's estimate of these proved reserves, as audited by Netherland, Sewell & Associates, Inc.

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**THE MERGER**

**General**

The boards of directors of RAM and Ascent have unanimously approved the merger agreement and the merger. Ascent will be the surviving entity in the merger and, upon completion of the merger, Ascent will be a wholly owned subsidiary of RAM. We expect to complete the merger by .

**Background of the Merger**

Each of RAM's and Ascent's board of directors has from time to time engaged with senior management in strategic reviews, and considered alternatives to enhance stockholder value of their respective companies. RAM has completed a number of strategic asset acquisitions since its inception in 1987. In early 2006, Ascent commenced a process to effect an initial public offering of its common stock, including the filing of a Form S-1 registration statement with the SEC in June 2006. However, in late February 2007, Ascent's board of directors determined not to pursue Ascent's initial public offering of common stock and employed Jefferies, Randall & Dewey to assist Ascent in considering strategic alternatives, including a possible sale or merger of Ascent. On March 5, 2007, Frank D. Bracken III, of Jefferies, Randall & Dewey, contacted Larry E. Lee, Chairman, President and Chief Executive Officer of RAM, regarding a possible acquisition opportunity with Ascent and inquired as to RAM's potential interest in acquiring Ascent. During that conversation, Mr. Bracken advised that Jefferies Capital Partners, an entity affiliated with Jefferies, Randall & Dewey, owned a substantial investment in Ascent and that Ascent might be offered for sale, but only to a very limited number of potential acquirers. Mr. Bracken advised Mr. Lee that RAM could obtain information regarding Ascent by reviewing the Form S-1 registration statement and amendments thereto of Ascent on file with the SEC.

On April 5, 2007, after a preliminary review of Ascent's public information, Mr. Lee sent a letter to Mr. Bracken indicating that RAM desired to pursue an acquisition transaction with Ascent, which would be achieved through a combination of cash and common stock of RAM, and at a value range which RAM believed Ascent's properties to be worth, based upon RAM's internal evaluation. On April 20, 2007, the RAM board of directors held a meeting to explore the possibility of acquiring Ascent. After an initial discussion, the RAM board of directors reviewed materials prepared by RAM management, including a financial analysis regarding a possible acquisition of Ascent. On May 2, 2007, RAM management received from Mr. Bracken an analysis and data compilation of Ascent prepared by Jefferies, Randall & Dewey. On May 14, 2007, the RAM board of directors held a meeting by conference call to discuss pursuing a proposal to acquire Ascent, and concluded that RAM would be interested in exploring a possible acquisition of Ascent. From May 14, 2007 to the date of execution of the merger agreement, RAM management has engaged in telephone conversations, in person meetings and other actions to complete its due diligence of Ascent, the negotiation of the merger agreement and the other transactions and agreements contemplated therein, and the financing to be provided by Guggenheim. From February 2007 until the date of execution of the merger agreement, Ascent management and representatives of Ascent's principal investors engaged in numerous telephone conversations, meetings and e-mail correspondence regarding the proposed sale of Ascent. From June 19, 2007 until the date of execution of the merger agreement, those conversations and correspondence related primarily to the proposed sale of Ascent to RAM. A summary of the principal actions taken by RAM management and by Ascent management is set forth below.

On May 30, 2007, Mr. Bracken engaged in a conference with Mr. Lee and other members of management of RAM in RAM's office in Tulsa, Oklahoma, to discuss the status of RAM's interest in acquiring Ascent. During that meeting, Drake Smiley, a senior vice president of RAM, executed and delivered a confidentiality agreement and acknowledgement and release to Warren Keyes Jr., a representative of Jefferies, Randall and Dewey. On June 7, 2007, several employees of RAM attended an Ascent data room presentation. Representatives of six other prospective purchasers of Ascent also accessed the Ascent data room between April 2006 and June 2006. On the same day, Lindsay Harr, assistant to Mr. Keyes, e-mailed bid instructions for the possible acquisition of Ascent to Mr. Smiley. The bid instructions included key dates in the bid process which included a proposal due by

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June 19, 2007, an effective date of July 31, 2007 and a July 31, 2007 targeted closing date. On June 18, 2007, Mr. Lee met with Mr. Bracken in Houston, Texas to discuss potential alternatives in connection with financing the acquisition of Ascent by RAM.

On June 19, 2007, on behalf of RAM, Mr. Lee submitted a confidential proposal to Morris J. White, Jr. of Jefferies, Randall & Dewey, for the acquisition of Ascent. Ascent received confidential proposals from three other prospective purchasers of Ascent in connection with its auction process in June 2007. On June 26, 2007, Mr. Lee met with Brian P. Friedman, James L. Luikart and Stuart B. Katz, as representatives of Jefferies & Company, Inc., an entity affiliated with Jefferies, Randall & Dewey and which also owned a significant investment in Ascent, and of Jefferies Capital Partners, along with J. David Lucke and Mr. Bracken of Jefferies, Randall & Dewey, to discuss RAM's proposal to acquire Ascent. On June 27, 28 and 29, 2007, Mr. Lee engaged in numerous discussions with Mr. Katz regarding the possible acquisition of Ascent and exchanged several draft term sheets, and Mr. Katz engaged in numerous discussions with Mr. Carter regarding his correspondence with Mr. Lee. On June 29, 2007, Mr. Katz and Mr. Lee agreed by telephone that the proposed business terms as set forth in a term sheet represented the basis upon which both parties would work towards completing a definitive merger agreement through which RAM would acquire Ascent. They also agreed that there would be no agreement regarding the proposed merger until each of Ascent's and RAM's board of directors had approved the merger and a definitive merger agreement was executed. On July 2, 2007, the RAM board of directors held a meeting by conference telephone call during which Mr. Lee advised the board of the status of the proposed acquisition of Ascent, and advised the board that an agreement in principle had been reached between Ascent and RAM to work towards a definitive merger agreement pursuant to the terms set forth in the term sheet.

On July 10, 2007, Mr. Lee met with Mr. Katz and Terry W. Carter, Chief Executive Officer of Ascent, Eddie M. LeBlanc, III, Chief Financial Officer of Ascent, and certain other officers of Ascent to discuss an agenda to finalize the proposed acquisition of Ascent by RAM. On July 12, 2007, a meeting of the RAM board of directors by conference telephone call was held during which Mr. Lee advised the board of directors of the status of the proposed transaction. On July 17, 2007, Mr. Lee had a meeting in Dallas, Texas with Mr. Carter and Mr. LeBlanc and representatives of RBC during which the consideration of a fairness opinion was discussed. On July 19, 2007, Mr. Lee met in Tulsa, Oklahoma with Mr. Katz, Mr. Carter, and certain other officers and representatives of Ascent, and members of RAM management to allow Ascent to investigate RAM's assets and prospects.

On August 8, 2007, Mr. Lee met with Tim Murray of Guggenheim to discuss the proposed financing of the Ascent acquisition. On August 9, 2007, Mr. Lee met with Ron Ormand of West LB to discuss the proposed financing of the Ascent acquisition. On August 16, 2007, Mr. Lee had a conference with Mr. Carter at Ascent's office in Plano, Texas to discuss the status of the merger agreement negotiations. In addition, Mr. Lee and Michael Zlomke of RAM met with members of Ascent management to review the mid-year reserve report and to discuss the audit of Ascent's mid-year reserve report by Ascent's independent petroleum engineers.

On August 22, 2007, Mr. Lee had a telephone call with Mr. Carter to discuss the terms of the transaction and certain diligence matters. On August 27, 2007, Mr. Lee and Mr. Carter engaged in two conference calls to discuss the terms of the proposed merger. On August 29, 2007, Mr. Lee and Mr. Bracken discussed options available to RAM to finance the cash portion of the total consideration to be paid in connection with the merger. Mr. Lee, Mr. Bracken and Mr. Katz had a conference call on September 5, 2007, to further discuss the terms of the proposed merger. On that same date, Mr. Lee met with representatives of Jefferies Capital Partners to discuss potential financing options.

On September 11, 2007, Mr. Lee, Mr. Katz, Mr. Friedman, and Mr. Lucke held a conference call to discuss unresolved terms of the merger agreement. Additional discussions regarding unresolved issues continued on September 17, 2007 at a meeting in New York between Mr. Lee, Mr. Katz, Mr. Carter and Mr. Friedman. On September 25, 2007, members of various banking firms met with Mr. Lee, other executive officers of RAM and Guggenheim to discuss financing options to fund the cash portion of the total consideration to be paid in connection with the merger, as well as refinance RAM's existing indebtedness.

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On September 27, 2007, Mr. Lee met in Dallas, Texas with Mr. Katz, Mr. Luikart and Mr. Carter to discuss outstanding issues related to the merger agreement. On October 1, 2007, RAM's board of directors met in Dallas, Texas with Jason Meek of RBC to review the RBC fairness opinion. On October 2, 2007, Ascent's board of directors had a conference call to discuss the merger agreement and the merger, at which time its financial advisor, Mitchell Energy Advisors, LLC made a presentation to the board relating to its fairness opinion. On October 2, 2007, Mitchell Energy Advisors, LLC delivered a fairness opinion to the Ascent board. On October 3, 2007, RAM's board of directors had a conference call to discuss the transaction and consider new terms to the merger agreement negotiated by management. On October 4, 2007, Mr. Lee and Mr. LeBlanc discussed by telephone Ascent's ability to obtain approval of the merger by Ascent's stockholders. On the same day, Mr. Lee had a conference call with representatives of Guggenheim regarding financing options, as well as a telephone call with Mr. Katz regarding financing options.

On several occasions between October 9 and October 13, 2007, Mr. Lee engaged in telephone calls and exchanged e-mails with Mr. Katz in efforts to resolve open terms of the merger agreement. On October 14, 2007, RAM's board of directors met by conference call to approve the final terms of the proposed merger agreement and the merger. On October 15, 2007, Mr. Lee engaged in several telephone calls with Mr. Katz to resolve final issues under the merger agreement. On the afternoon of October 15, 2007, the Ascent board of directors met by telephone to review the terms of the proposed merger and the merger agreement and to review the updated fairness opinion from Mitchell Energy Advisors, LLC. The meeting was adjourned and reconvened that evening by telephone, at which time the Ascent board of directors approved the merger agreement and recommended adoption of the merger agreement to the Ascent stockholders.

### **Ascent's Reasons for the Merger**

Ascent's board of directors and management considered a variety of possible alternatives to the merger with RAM, including an initial public offering of Ascent, other acquisition or combination possibilities for Ascent and the continuation of Ascent as an independent entity. Ascent's board of directors and management considered the range of possible benefits to Ascent's stockholders, and the perceived risks, of each such alternative as well as the anticipated cost, timing and likelihood of success of each such alternative. Specifically, Ascent's board of directors and management considered the relatively short-term nature of Ascent's outstanding indebtedness as compared to Ascent's longer-term needs for capital for its business. They also evaluated the potential dilution that would result from raising additional debt or equity capital necessary to execute its business plan as compared to the expected return on any such new capital. Based on the foregoing considerations and other matters deemed relevant by Ascent's board of directors and management, Ascent believes that the merger with RAM presents a superior opportunity to any such alternative and that the merger is fair and in the best interests of Ascent and its stockholders.

### **RAM's Reasons for the Merger**

RAM believes that the merger is consistent with its business strategy and provides an attractive opportunity for it to add assets to its oil and natural gas portfolio in its core areas and in the Appalachian Devonian Shale area. RAM believes that the merger provides significant growth opportunities represented by Ascent's assets, which will complement and enhance RAM's current and anticipated future operations and production in those areas. Furthermore, the addition of Ascent's assets is expected to make significant long-term contributions to RAM's cash flow.

### **Opinion of RAM's Financial Advisor**

RAM retained RBC as its financial advisor to evaluate, and render an opinion to the RAM board of directors with respect to, the fairness to RAM, from a financial point of view, of the merger, including the consideration to be paid in connection with the merger. RBC delivered a written opinion, dated October 1, 2007, to the RAM

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board of directors to the effect that, as of that date and based on and subject to the considerations described in its opinion, the total consideration to be paid in connection with the merger was fair, from a financial point of view, to RAM.

**RBC's opinion does not address any other aspect of the proposed merger and does not constitute a recommendation to any stockholder as to how such stockholder should act with respect to any matter relating to the merger. The summary of RBC's opinion in this document is qualified in its entirety by reference to the full text of the opinion, a copy of which is available upon request from Robert Phaneuf, RAM's Vice President, Corporate Development, at 5100 East Skelly Drive, Suite 650, Tulsa, Oklahoma 74135.**

In arriving at its opinion, RBC reviewed a draft dated September 28, 2007 of the merger agreement, and undertook such review and inquiries as RBC deemed necessary or appropriate under the circumstances, including the following: (i) RBC reviewed the financial terms of the draft merger agreement; (ii) RBC reviewed and analyzed certain publicly available financial and other data with respect to RAM and certain other relevant historical operating data relating to RAM and Ascent made available to RBC from published sources and from the internal records of RAM and Ascent; (iii) RBC reviewed the internal memo sent by the President and CEO of RAM regarding Ascent to the board of directors of RAM dated June 29, 2007; (iv) RBC conducted discussions with members of the senior management of RAM and Ascent with respect to the business prospects and financial outlook of RAM and Ascent; (v) RBC reviewed historical financial information relating to RAM and Ascent, and estimates provided to RBC, either by Ascent's management (the Ascent Forecasts and Reserve Report) or by RAM's management (RAM Estimates); (vi) RBC reviewed the historical prices and trading activity for RAM's common stock; (vii) RBC reviewed analysts estimates and commentary on the valuation of RAM's publicly traded securities; (viii) RBC reviewed the potential impact of the merger on RAM's future financial results; and (ix) RBC performed other studies and analyses as RBC deemed appropriate. For all forward-looking financial information with respect to RAM, RBC relied on the RAM Estimates. For all forward-looking financial information with respect to Ascent, RBC relied on the Ascent Forecasts and Reserve Report. RBC assumed that all RAM Estimates and the Ascent Forecasts and Reserve Report represented the best then available estimates and good faith judgments of RAM's management or Ascent's management, as the case may be, as to the applicable entity's financial performance, and RBC expressed no opinion as to any aspect of the RAM Estimates and the Ascent Forecasts and Reserve Report.

In rendering its opinion, RBC did not assume any responsibility to perform, and did not perform, an independent evaluation or appraisal of any of the assets or liabilities of RAM or Ascent. RBC did not assume any obligation to conduct, and did not conduct, a physical inspection of the property or facilities of RAM or Ascent. RBC did not investigate, and made no assumption regarding, any litigation or other claims affecting RAM or Ascent. RBC's opinion relates to Ascent as a going concern and, accordingly, RBC expressed no opinion regarding the liquidation value of Ascent.

RBC assumed, in all respects material to its analysis, that all conditions to the consummation of the merger agreement will be satisfied without waiver thereof, that the representations and warranties of each party contained in the merger agreement are true and correct, and that each party will perform all of the covenants and agreements required to be performed by it under the merger agreement. RBC assumed that the executed version of the merger agreement will not differ, in any respect material to RBC's opinion, from the draft merger agreement dated September 28, 2007.

RBC expressed no view as to the reserve quantities, or the development or production (including, without limitation, the feasibility or timing of development or production), of any oil or gas properties of Ascent or RAM (including properties with no proved reserves, referred to as unevaluated properties). RBC's opinion addressed only the fairness, to RAM, from a financial point of view, of the total consideration to be paid in connection with the merger, and did not address any other aspect or implication of the merger or any other agreement, arrangement or understanding entered into in connection with the merger or otherwise. RBC was not requested

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to, and it did not, participate in the negotiation or structuring of the merger and RBC's opinion was necessarily based on information made available to it as of the date of the opinion and financial, economic, market and other conditions as they existed and could be evaluated on the date of the opinion. RBC's opinion also was based on certain assumptions as to future commodity prices for oil and natural gas, which are subject to significant volatility and which, if different than as assumed, could have a material impact on RBC's analyses. RBC did not express any opinion as to what the actual value of RAM common stock and warrants will be when issued to Ascent's security holders in connection with the merger or the prices at which RAM common stock will trade at any time. RBC's opinion did not address the relative merits of the merger as compared to other business strategies or transactions that might be available to RAM, nor did it address the underlying business decision of RAM to proceed with the merger. Except as described above, RAM imposed no other limitations on RBC with respect to the investigations made or procedures followed in rendering its opinion.

In preparing its opinion to the RAM board of directors, RBC performed a variety of financial and comparative analyses, including those described below. The summary of RBC's analyses described below is not a complete description of the analyses underlying RBC's opinion. The preparation of a fairness opinion is a complex process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. RBC arrived at its ultimate opinion based on the results of all analyses undertaken by it and assessed as a whole and did not draw, in isolation, conclusions from, or with regard to, any one factor or method of analysis. Accordingly, RBC believes that its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying its analyses and opinion.

In its analyses, RBC considered industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Ascent and RAM. No company, transaction or business used in RBC's analyses as a comparison is identical to Ascent, RAM or the merger, and an evaluation of the results of those analyses is not entirely mathematical. Rather, the analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies, business segments or transactions analyzed. The estimates contained in RBC's analyses and the ranges of valuations resulting from any particular analysis are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by the analyses. In addition, analyses relating to the value of businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold. Accordingly, the estimates used in, and the results derived from, RBC's analyses are inherently subject to substantial uncertainty.

RBC was not requested to, and it did not, recommend the specific form or amount of consideration payable in connection with the merger, which consideration was determined through negotiation between Ascent and RAM. RBC's opinion and financial analyses were only one of many factors considered by the RAM board of directors in its evaluation of the merger and should not be viewed as determinative of the views of the RAM board of directors or management with respect to the merger or the total consideration to be paid in connection with the merger.

### *General*

RBC is an internationally recognized investment banking firm and, as part of its investment banking activities, is regularly engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes. RAM's board of directors selected RBC because of its expertise, reputation and familiarity with RAM and the energy industry generally and because its investment banking professionals have substantial experience in transactions comparable to the merger.

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Pursuant to the terms of an engagement letter dated July 9, 2007 between RBC and RAM, RAM paid RBC a fee of \$500,000 upon delivery of RBC's opinion, dated October 1, 2007. RAM also has agreed to reimburse RBC for its reasonable expenses incurred in connection with this engagement, and to indemnify RBC and certain related persons against certain liabilities that may arise out of its engagement by RAM and the rendering of the RBC's opinion. RBC in the past has rendered investment banking services to RAM and received customary fees for such services.

In the ordinary course of its business, RBC may actively trade in the debt or equity securities of RAM for its own account and for the accounts of its customers and, accordingly, may at any time hold a long or short position in such securities.

### **Ascent Warrants, Stock Options and Other Stock Awards**

Currently, Ascent has outstanding warrants to purchase approximately 8,272,167 shares of Ascent common stock. These warrants will be terminated and will cease to be outstanding upon the closing of the merger. Ascent has no outstanding options to purchase shares of Ascent common stock granted under Ascent's employee benefit plans.

### **Material United States Federal Income Tax Consequences**

The merger is expected to be a taxable transaction and is not intended to qualify as a reorganization for federal income tax purposes; however, RAM stockholders will not recognize gain or loss for federal income tax purposes upon consummation of the merger. No ruling will be sought from the IRS regarding the merger.

### **Accounting Treatment**

The merger will be accounted for as an acquisition of Ascent by RAM under the purchase method of accounting in accordance with U.S. generally accepted accounting principles, or GAAP.

### **Regulatory Matters Related to the Merger**

The merger is not subject to the requirements of the Hart-Scott-Rodino Anti-Trust Improvements Act of 1976 and is not subject to any other material federal, state or local regulatory approvals that have not been obtained, other than the filing of a certificate of merger with the Secretary of State of the State of Delaware.

### **Merger Fees, Costs and Expenses**

All expenses of RAM, Merger Sub and Ascent incurred in connection with the merger agreement and the transactions contemplated by the merger agreement will be paid by the party incurring those expenses.

### **Restrictions on Resales of RAM Securities by Ascent Security Holders**

In general, shares of RAM common stock and warrants issued to Ascent security holders in connection with the merger will not be freely transferable. Such persons may sell their shares of RAM common stock and warrants only pursuant to an effective registration statement under the Securities Act of 1933, as amended, which we refer to as the Securities Act, covering the resale of those shares or warrants, an exemption under Rule 144 as promulgated under the Securities Act or any other applicable exemption under the Securities Act. However, RAM has agreed to file a shelf registration statement within 90 days after the closing of the merger for the resale of RAM common stock and warrants (including shares of RAM common stock issuable upon the exercise of the warrants) to be issued in connection with the merger, and to provide certain registration rights to certain of Ascent's security holders. For a further discussion of these registration rights, see "The Merger Agreement" Registration Rights Agreement.



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At the closing, certain Ascent security holders will execute a lock-up letter in which each such holder agrees, with limited exceptions, not to directly or indirectly sell, offer or contract to sell or offer, grant any option or warrant for the sale of, assign, transfer or otherwise dispose of, more than 50% of the total shares of RAM common stock issued to such security holder at the closing in connection with the merger. The term of the lock-up letter will begin on the effective date of the merger and end 180 days thereafter.

### **RAM's Financing for the Merger**

RAM has been advised by Guggenheim, the arranger and administrative agent under RAM's existing credit facility, that Guggenheim has received commitment letters representing \$170.0 million of commitments in respect of a new \$175.0 million revolving credit facility, and more than \$200.0 million in commitments in respect of a new \$200.0 million term loan, in connection with a proposed \$500.0 million credit facility to be entered into between RAM and the designated lenders effective as of the closing of the merger. The commitments are subject only to satisfactory documentation and, in one case, the absence of material adverse changes in the business or financial condition of RAM prior to closing. The entire amount of the \$200.0 million term loan will be advanced at closing. The borrowing base under the revolving credit facility at the closing will be \$175.0 million, a portion of which will be advanced at the closing of the merger as needed. Borrowings under the new facility will be used to refinance RAM's existing indebtedness, fund the cash requirements in connection with the closing of the merger, and for working capital and other general corporate purposes. Funds advanced under the revolving credit facility may be paid down and re-borrowed during the four-year term of the revolver, and will bear interest at LIBOR plus a margin ranging from 1.25% to 2.0% based on a percentage of usage. The term loan will provide for payments of interest only during its five-year term, with the interest rate being LIBOR plus 7.5%. Guggenheim will also serve as arranger and administrative agent for the lenders under the new facility.

Advances under the new facility will be secured by liens on substantially all properties and assets of RAM and its subsidiaries, including Ascent and its subsidiaries. The loan agreement will contain representations, warranties and covenants customary in transactions of this nature, including financial covenants relating to current ratio, minimum interest coverage ratio, maximum leverage ratio and a required ratio of asset value to total indebtedness. RAM will be required to maintain commodity hedges with respect to not less than 50%, but not more than 85% of its projected monthly production volumes on a rolling 30-month basis, until the leverage ratio is less than or equal to 2.0 to 1.0. Approximately \$28.4 million of availability under the revolving credit facility will be reserved for payment of RAM Energy's outstanding 1 1/2% Senior Notes, which become due and payable on February 15, 2008, and \$40.0 million will be allocated for development of RAM's undeveloped properties.

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**THE MERGER AGREEMENT**

*The following is a summary of selected provisions of the merger agreement and certain other agreements contemplated by the merger agreement. While RAM believes this description covers the material terms of these agreements, it may not contain all of the information that is important to you and is qualified in its entirety by reference to each agreement summarized below, each of which is incorporated by reference in its entirety into this information statement by reference to RAM's Form 8-K, which was filed with the SEC on October 18, 2007. We urge you to read the merger agreement and each of the other documents and agreements summarized below in its entirety.*

*The merger agreement contains representations, warranties, covenants and other agreements that RAM and Ascent made to each other. The assertions embodied in those representations, warranties, covenants and other agreements are qualified by information in confidential disclosure schedules that RAM and Ascent have exchanged in connection with signing the merger agreement. The disclosure schedules contain information that modifies, qualifies and creates exceptions to the representations, warranties, covenants and other agreements set forth in the merger agreement. Accordingly, you should keep in mind that the representations, warranties, covenants and other agreements are modified in important part by the underlying disclosure schedules. These disclosure schedules contain information, some of which has been included in RAM's general prior public disclosures, and some of which is non-public. RAM does not believe that the disclosure schedules contain information that the securities laws require RAM to publicly disclose other than information that has already been so disclosed. Moreover, information concerning the subject matter of the representations, warranties, covenants and other agreements may have changed since the date of the merger agreement, which subsequent information may or may not be fully reflected in RAM's public disclosures.*

**The Merger**

Upon the terms and subject to the conditions set forth in the merger agreement, Merger Sub will merge with and into Ascent, with Ascent as the surviving entity. Upon completion of the merger, Ascent will be a wholly owned subsidiary of RAM.

**Closing and Effectiveness of the Merger**

The closing of the merger will occur no later than the second business day after the satisfaction or waiver of all of the closing conditions provided in the merger agreement, or on such other date as RAM and Ascent may agree in writing. See Conditions to Consummation of the Merger.

As soon as practicable on or after the closing date, RAM and Ascent will deliver a certificate of merger to the Secretary of State of the State of Delaware. At that time, or at such later time as may be agreed by the parties and specified in the certificate of merger, the merger will become effective.

**Surviving Entity's Governing Documents; Officers and Directors**

*Surviving Entity Governing Documents.* At the effective time of the merger, the certificate of incorporation and bylaws of the surviving entity will be Ascent's amended and restated certificate of incorporation and amended and restated bylaws in the forms attached as Exhibit A and Exhibit B to the merger agreement, until thereafter amended as provided therein or by applicable law.

*Surviving Entity Directors and Officers.* The directors and the officers of Merger Sub at the effective time of the merger and such of Ascent's current officers as RAM selects, and who so agree, will, from and after the effective time, be the directors and officers of the surviving entity until their successors are duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the surviving entity's certificate of incorporation and bylaws.

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### **The Consideration**

#### *General*

The total consideration to be paid by RAM in connection with the merger consists of (i) \$185.0 million in cash, of which \$20.0 million will be placed in escrow and \$150,000 will be used to pay expenses of the representative, (ii) a number of shares of RAM common stock determined by dividing \$107.0 million by the weighted (based on daily trading volume) average closing price per share of the RAM common stock as reported by NASDAQ for the ten trading day period ending on the third business day prior to closing of the merger, subject to a minimum of 20,000,000 shares and a maximum of 20,500,000 shares (subject to rounding to eliminate fractional shares), and (iii) 6,200,000 warrants immediately exercisable until May 11, 2008 into an equal number of shares of RAM common stock, at an exercise price of \$5.00 per share, the terms of which warrants are identical in all material respects to RAM's outstanding publicly traded warrants. As discussed below, the cash portion of the total consideration will be adjusted to reflect a working capital adjustment and a tax allocation adjustment and the cash and most likely the common stock portions of the total consideration will be adjusted to reflect the hedge contract adjustment. The total consideration, as adjusted, will be allocated among (i) certain holders of Ascent's outstanding indebtedness and certain other obligations, and (ii) Ascent's preferred stockholders, common stockholders and warrant holders.

The allocation of the total consideration among the holders of Ascent's outstanding indebtedness and certain other obligations, and its preferred stockholders, common stockholders and common warrant holders cannot be finalized until all factors impacting the value of the total consideration to be paid in connection with the merger are determined. These factors include the value of RAM common stock and its publicly traded warrants preceding the closing date of the merger, the working capital adjustment, the hedge contract adjustment and the amount of interest accrued on Ascent's outstanding indebtedness and the amount of Ascent's other obligations related to the merger as of the closing date. If the combination of the change in these factors has no effect on, or results in a decrease in, the value of the total consideration to be paid in connection with the merger as of the date the merger agreement was executed based on certain assumptions relating to, among other things, the amount of Ascent's indebtedness and other obligations:

Ascent's secured lenders and certain other creditors, and all payments due to Ascent's officers and employees by reason of the merger, will be paid in cash;

Ascent's preferred stockholders will receive \$0.02 per share as merger consideration;

Ascent's common stockholders will receive \$0.01 per share as merger consideration;

Ascent's common warrant holders will receive nothing; and

holders of Ascent's outstanding notes and Ascent's preferred stockholders, to the extent of accrued and unpaid preferred stock dividends, will receive all the remaining cash, RAM common stock and RAM warrants issued in connection with the merger in full satisfaction of the Ascent indebtedness held by those persons.

Immediately following the closing of the merger agreement, the surviving corporation will have no indebtedness for borrowed money, other indebtedness evidenced by bonds, debentures, notes or similar instruments or obligations for the payment of dividends on or other payments with respect to any equity securities of Ascent other than letters of credit if any, assumed by RAM. If, however, the value of the total consideration to be paid in connection with the merger substantially increases prior to the closing date, the Ascent preferred stockholders, common stockholders and common warrant holders could receive amounts in excess of the amounts set forth above.

*Working Capital Adjustments.* RAM and Ascent will make certain closing and post-closing working capital adjustments.

*Closing working capital adjustment.* Prior to the closing, RAM and Ascent will estimate Ascent's projected working capital, subject to certain adjustments including reimbursable capital expenditures, as of the



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closing date of the merger. At the closing, the cash consideration will be adjusted upward by the amount of the positive, or downward by the amount of the negative of Ascent's estimated working capital.

*Post-closing working capital adjustment.* Within ninety (90) days after the closing, subject to extension in the event of disagreement, RAM and a representative for certain prior Ascent security holders will finalize the calculation of Ascent's working capital, subject to certain adjustments including reimbursable capital expenditures, as of the closing date of the merger. If the final calculation of Ascent's working capital on the closing date is more favorable to Ascent (that is, a smaller negative working capital or a larger positive working capital) than the estimated working capital, then RAM shall promptly deliver to the escrow agent to be distributed to Ascent's former security holders pursuant to the terms of the escrow agreement, an amount of cash equal to the difference between the estimated working capital and the final working capital, or (ii) if the final adjusted working capital is less favorable to Ascent (that is, a greater negative working capital or a smaller positive working capital) than the estimated working capital, then RAM shall have the immediate right to make a claim against the escrow in an amount equal to the difference between the final working capital and the estimated working capital.

*Hedge Contract Adjustment.* RAM and Ascent have agreed upon an execution date hedge liability in the amount of \$22.0 million. RAM and Ascent will determine the aggregate amount of the settlement costs or settlement benefits under Ascent's hedge contracts as of the fourth business day prior to the closing. In the event the sum of the settlement benefits exceeds the sum of the settlement costs for all of Ascent's hedge contracts on the relevant date of determination, the amount of the excess is referred to as the closing date hedge asset. In the event the sum of the settlement costs exceeds the sum of the settlement benefits for all of Ascent's hedge contracts on the relevant date of determination, the amount of the excess is referred to as the closing date hedge liability.

In the event the execution date hedge liability exceeds the closing date hedge liability, then the cash consideration and the common stock consideration will be adjusted downward at the closing by the amount of the closing date hedge liability. In the event the closing date hedge liability exceeds the execution date hedge liability, then the cash consideration and the common stock consideration will be adjusted downward at the closing by an amount equal to the sum of (i) the execution date hedge liability, and (ii) twenty-five percent (25%) of the difference between the closing date hedge liability and the execution date hedge liability. Any adjustments to the cash consideration and the common stock consideration pursuant to a hedge liability adjustment will be applied 63.36% to the cash consideration and 36.64% to the common stock consideration, with the RAM common stock valued at \$5.35 per share for such purposes. In the event there is a closing date hedge asset, then the cash consideration will be adjusted upward at the closing by the amount of the closing date hedge asset.

*Tax Allocation Adjustment.* Based upon an agreed allocation of certain income tax obligations, the amount of the cash consideration to be paid by RAM at the closing will be reduced by \$30,000.

*Fractional Shares of RAM Common Stock.* Fractional shares of RAM common stock will not be issued in connection with the merger. Instead, Ascent security holders who otherwise would have been entitled to receive a fractional share of RAM common stock will be entitled to receive a full share of RAM common stock in lieu of any fractional share.

*Adjustments to Prevent Dilution.* If, between the date of the merger agreement and the effective time of the merger, there occurs a subdivision, combination or dividend of RAM's common stock or warrants, then the specific number of shares of RAM common stock and warrants to be issued as part of the total consideration to be paid in the merger will be proportionately adjusted to reflect the effect on the outstanding shares of RAM's common stock or warrants of such subdivision, combination or dividend.

## **Representations and Warranties; Indemnification**

The merger agreement contains representations and warranties of Ascent, Merger Sub and RAM customary for transactions of this nature, subject in certain cases to knowledge, materiality and material adverse effect qualifiers.

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With limited exceptions, the representations and warranties of RAM and Merger Sub terminate at the effective time of the merger. The representations and warranties made by Ascent will survive until the day that is 18 calendar months after the closing date. Similarly, the covenants and agreements of Ascent contained in the merger agreement, to the extent that they are required to be performed prior to the closing, shall terminate upon the day that is 18 calendar months after the closing date. Those covenants and agreements that are required to be performed after the closing will survive until the expiration of the statute of limitations applicable to any claim with respect to such covenant or agreement. RAM will be indemnified for certain breaches of representations and warranties or covenants and agreements out of and to the extent of the balance remaining from time to time in the escrow fund. With certain exceptions, no indemnification from the escrow fund will occur until such time as the aggregate losses subject to indemnification equals or exceeds \$2.0 million, at which point the right to indemnification shall be limited to the amount by which the indemnified losses exceed \$2.0 million. Exceptions to this \$2.0 million limitation include (i) breaches of any covenants, (ii) breaches of representations and warranties regarding taxes, (iii) losses resulting from certain pre-merger recapitalization activities of Ascent, (iv) losses resulting from certain pending litigation and (v) certain losses related to one particular property.

**Conduct of Business Pending the Merger**

Prior to the closing, except as set forth in or expressly contemplated by the merger agreement, each of RAM and Ascent has agreed that, without the consent of the other, it will not, and will not permit its subsidiaries to, among other things:

depart from the ordinary course of business;

amend its charter documents;

declare, set aside or pay any dividends on or make any other distributions in respect of any capital stock, other than dividends from a subsidiary to a parent;

split, combine or reclassify any capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for any capital stock, except for awards granted under RAM's long-term incentive plan;

purchase, redeem or otherwise acquire, directly or indirectly, any shares of its capital stock, except as permitted under RAM's long-term incentive plan;

issue, deliver, sell, authorize, pledge or otherwise encumber, or agree to any of the foregoing with respect to, any shares of capital stock or any securities convertible into or exchangeable for shares of capital stock, or subscriptions, rights, warrants or options to acquire any shares of capital stock or any securities convertible into or exchangeable for shares of capital stock, or enter into other agreements or commitments of any character obligating it to issue any such shares or convertible or exchangeable securities, except as permitted under RAM's long-term incentive plan;

merge with or acquire all or substantially all of the assets of any other corporation, partnership or other business organization, or otherwise acquire any assets that in the aggregate are material to the business of RAM or Ascent, respectively; or

agree in writing or otherwise agree, commit or resolve to take any of the actions described above.

Prior to the closing, except as set forth in or expressly contemplated by the merger agreement, Ascent has agreed that, without the consent of RAM, it will not, and will not permit its subsidiaries to, among other things:

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drill or recomplete, or commit to drill or recomplete, any well, except as provided in the work plan agreed to as part of the merger agreement;

acquire or agree to acquire any assets for a purchase price in excess of \$200,000 in any single transaction or any series of related transactions, subject to certain exceptions;

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enter into any joint ventures, strategic partnerships or alliances, or enter into any material contracts;

sell, lease, license, encumber or otherwise dispose of any properties or assets, except (i) the sale of oil, natural gas and NGLs in the ordinary course of business consistent with past practice, (ii) the sale or other disposition for fair value of personal property not exceeding \$200,000 in the aggregate, (iii) the sale of personal property no longer needed for operations on its mineral properties or for which replacement personal property is obtained, and (iv) routine dispositions of non-commercial or marginal mineral properties and related personal property and equipment in the ordinary course of business;

incur any indebtedness for borrowed money (other than (i) advances to Ascent under its credit facilities, and (ii) purchase money debt incurred in connection with the acquisition in the ordinary course of business consistent with past practice of field vehicles and office equipment not exceeding \$100,000 in the aggregate), or guarantee any indebtedness of another person, or issue or sell any debt securities or options, warrants, calls or other rights to acquire any debt securities of Ascent;

grant any severance or termination pay to any officer or employee except pursuant to applicable law or written agreements or policies existing on the date of the merger agreement, or adopt any new severance plan, or amend or modify or alter in any manner any severance plan, agreement or arrangement existing on the date of the merger agreement;

enter into any transaction with or distribute or advance any assets or property to any affiliate of Ascent;

transfer or license to any person or otherwise extend, amend or modify any material rights to any intellectual property;

adopt or amend any employee benefit plan, policy or arrangement, any employee stock purchase or employee stock option plan, or enter into any employment contract or collective bargaining agreement (other than offer letters and letter agreements entered into in the ordinary course of business consistent with past practice with employees who are terminable at will ), pay any special bonus or special remuneration to any director or employee, or increase the salaries or wage rates or fringe benefits (including rights to severance or indemnification) of its directors, officers, employees or consultants, except in the ordinary course of business consistent with past practices or pursuant to written agreements or policies existing on the date of the merger agreement, or as required by applicable law;

pay, discharge, settle or satisfy any claims, liabilities or obligations (absolute, accrued, asserted or unasserted, contingent or otherwise), other than as described below or the payment, discharge, settlement or satisfaction, in the ordinary course of business consistent with past practice, of liabilities recognized or disclosed in Ascent's June 30, 2007 financial statements or incurred in the ordinary course of business since the date of such financial statements, or, other than in the ordinary course of business consistent with past practices, waive the benefits of, agree to modify in any manner, terminate, release any person from or knowingly fail to enforce any confidentiality or similar agreement to which Ascent is a party or of which Ascent is a beneficiary;

settle any litigation on terms requiring (i) a payment by Ascent in excess of \$250,000, (ii) the assignment or conveyance by Ascent of any properties, subject to certain exceptions, or (iii) the waiver or relinquishment by Ascent to any claim for damages in excess of \$100,000 or any claim of right with respect to any oil and gas properties or other assets;

except in the ordinary course of business consistent with past practices, modify, amend or terminate any material contract, or waive, delay the exercise of, release or assign any material rights or claims thereunder;

except as required by GAAP, revalue any of its assets or make any change in accounting methods, principles or practices;



make or rescind any tax elections that, individually or in the aggregate, could be reasonably likely to adversely affect in any material respect any tax liability or tax attributes, settle or compromise any material tax liability or, except as required by applicable law, materially change any method of accounting for tax purposes or prepare or file any return in a manner inconsistent with past practice;

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form, establish or acquire any subsidiary; or

agree in writing or otherwise agree, commit or resolve to take any of the actions described above.

**Additional Covenants**

Ascent and RAM have also agreed to:

cooperate and use their commercially reasonable efforts to take all actions necessary or advisable to consummate and make effective the merger between Ascent and Merger Sub and the other transactions contemplated by the merger agreement;

use commercially reasonable efforts to prepare and file all necessary notices, reports and other filings, to obtain all consents, approvals or authorizations necessary or advisable to consummate the transactions contemplated by the merger agreement;

afford the other party access to certain information and personnel and keep any information so obtained confidential;

consult with each other before issuing any press releases or other written public statement with respect to the merger or the merger agreement, subject to certain exceptions;

promptly notify each other upon obtaining knowledge of anything that:

would cause any of such party's representations and warranties to become untrue or misleading or which may affect its ability to consummate the transactions contemplated by the merger agreement;

would have been required to be disclosed in the merger agreement if it were known on the date of the merger agreement;

gives such party any reason to believe that any of the conditions to closing will not be satisfied;

is of a nature that is or may be materially adverse to RAM or Ascent; or

would require any amendment or supplement to this information statement.

RAM has further agreed to:

allow a person designated by the holders of a majority of the shares of RAM common stock issued in connection with the merger to attend RAM's board meetings as an observer until such time as certain Ascent security holders have disposed of more than 50% of the shares of RAM common stock issued to such holders in the aggregate in connection with the merger;

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for a period of one (1) year following the closing, provide continued employment to the Ascent employees whose employment RAM has selected to continue in essentially the same positions with RAM or one of its subsidiaries at not less than the current salaries of such employees with Ascent, and to provide those persons with the same benefits, including annual bonuses, on substantially the same basis as RAM provides to similarly situated employees;

use commercially reasonable efforts to cause RAM's employee benefit plans to waive any pre-existing condition exclusions and to recognize the years of service and level of seniority of each of the Ascent employees that are continuing employment after the closing;

provide employees of Ascent who are eligible to participate in Ascent benefit plans and who continue as employees of RAM or any of its subsidiaries after the merger with eligibility to participate in employee benefit plans of RAM or its subsidiaries on substantially the same terms and conditions as similarly situated employees of RAM or its subsidiaries, taking into account, for purposes of eligibility

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to participate and vesting, the service prior to the effective time of those Ascent employees and requiring additional service with RAM or its subsidiaries to receive retiree medical benefits;

following the effective time of the merger, cause the surviving corporation to indemnify present and former directors and officers of Ascent in connection with any claim arising out of actions or omissions occurring at or prior to the effective time to the fullest extent that Ascent is permitted to indemnify its directors and officers;

maintain, for six (6) years after the effective time, the existing directors and officers liability insurance (or policies of at least the same coverage and amounts containing terms that are no less advantageous) with respect to claims against them arising from facts or events that occurred at or prior to the closing date of the merger;

enter into a registration rights agreement with certain holders of Ascent indebtedness and Ascent preferred stock who will receive shares of RAM common stock in connection with the merger (see Registration Rights Agreement below for a description of the terms of the registration rights agreement); and

prepare and file a shelf registration statement within 90 days of the effective date of the merger registering for resale the shares of RAM common stock and warrants (including the shares of RAM common stock issuable upon exercise of the warrants) to be issued in connection with the merger, and cause the shelf registration statement to be declared effective within 150 days following the effective date of the merger;

obtain stockholder consent necessary to approve the issuance of RAM common stock and warrants (including shares of RAM common stock issuable upon the exercise of the warrants) in connection with the merger; and

reimburse Ascent, by adjustment to Ascent's closing date working capital, for certain capital expenditures undertaken by Ascent with RAM's prior written consent.

Ascent has further agreed to:

use commercially reasonable efforts to commence and make reasonable progress toward performance of an agreed upon work plan;

cause all of its directors and those of its officers who will not continue as officers of Ascent following completion of the merger to resign as of the closing;

use commercially reasonable efforts to cause certain of Ascent's security holders to enter into a voting agreement with RAM;

use commercially reasonable efforts to cause certain of Ascent's security holders to enter into a lock up letter with RAM;

cause South Louisiana Property Holdings, Inc., which is presently the principal stockholder of Ascent, to be merged with and into a subsidiary of Ascent, and ensure that South Louisiana Property Holdings, Inc., as the present holding company of Ascent, does not engage in any new trade or business or acquire any new assets or properties prior to the merger;

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cause the certificate of designations for the Ascent preferred stock to be amended to address the merger;

not engage in any transaction in RAM securities until the merger is closed or the merger agreement is terminated and to use commercially reasonable efforts to require its affiliates to also refrain from such transactions for their own account; and

obtain approval of Ascent's stockholders for the adoption of the merger agreement, and notify each of its stockholders entitled to appraisal rights under Section 262 of the DGCL of the adoption of the merger agreement by Ascent's stockholders.

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### **Conditions to Consummation of the Merger**

Each party's obligation to effect the merger is subject to the satisfaction or waiver, at or prior to the closing date of the merger, of the following conditions:

if required by NASDAQ, submission by RAM to NASDAQ of all information necessary for the listing on the NASDAQ Capital Market of the shares of RAM common stock and warrants to purchase shares of RAM common stock (including shares of RAM common stock issuable upon the exercise of warrants) that are to be issued as contemplated by the merger agreement;

attainment of all consents, authorizations, orders and approvals required to be obtained from any governmental entity in connection with the execution, delivery and performance of the merger agreement, subject to certain exceptions;

satisfaction of all conditions to the consummation of the Note Holder Payoff and Recapitalization Agreement, a copy of which is attached as an exhibit to the merger agreement, at and in conjunction with the closing of the merger agreement;

the absence of any order or injunction of a court of competent jurisdiction which prohibits the completion of the merger or any of the other transactions contemplated by the merger agreement; and

immediately after the effective time, Ascent, as the surviving corporation, will be solvent and will have adequate capital with which to engage in its business.

RAM's and Merger Sub's obligations to effect the merger are subject to satisfaction, or waiver, of the following conditions:

the representations and warranties made by Ascent in the merger agreement that include a materiality qualification are true and correct as of the date of the merger agreement and, subject to the following proviso, as of the closing date as though made on and as of the closing date, and the representations and warranties made by Ascent in the merger agreement that do not include a materiality qualification are true and correct in all material respects as of the date of the merger agreement and, subject to the following proviso, as of the closing date as though made on and as of the closing date; provided that RAM shall not be entitled to assert inaccuracy or breach of representation or warranty by Ascent as a failure of a condition to closing unless the individual or aggregate impact of all such inaccuracies or breaches (without giving effect to materiality and material adverse effect qualifiers) by Ascent would reasonably be expected to have a material adverse effect on Ascent;

Ascent has performed in all material respects all obligations required to be performed by it under the merger agreement at or prior to the closing;

satisfaction of all conditions to the consummation of the Note Holder Payoff and Recapitalization Agreement at and in conjunction with the closing of the merger agreement;

the cash consideration, after all applicable adjustments, that RAM has agreed to pay in connection with the merger must be greater than the sum of (i) the amounts of the minimum merger consideration to be paid in cash to Ascent's stockholders and common warrant holders in connection with the merger, (ii) the amount of indebtedness and other obligations of Ascent to be paid by RAM in cash in connection with the consummation of the merger, (iii) the \$20.0 million to be deposited in the escrow, and (iv) the \$150,000 paid to an account for the expenses of the representative;

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Ascent shall have no indebtedness for borrowed money, other indebtedness evidenced by bonds, debentures, notes or similar instruments or obligations for the payment of dividends on or other payments with respect to any equity securities of Ascent, other than obligations with respect to letters of credit, if any, assumed by RAM;

Ascent shall have executed for filing with the SEC promptly after the closing a withdrawal of Ascent's registration statement on Form S-1 and (Registration Number 333-135537);

the escrow agreement shall have been executed by the representative;

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the merger agreement shall have been adopted by Ascent stockholders entitled to vote on the matter in accordance with applicable law and Ascent's certificate of incorporation and bylaws (*this condition has been satisfied*);

Ascent shall have delivered the board resolutions authorizing the execution, delivery and consummation of the merger agreement and the consummation of all transactions contemplated by the merger agreement, and a secretary's certificate of Ascent as to the validity of such resolutions and the stockholder approval;

Ascent shall have delivered the resignation of each director of Ascent and its subsidiaries and each officer not continuing as an employee following closing of the merger;

certain of the Ascent security holders shall have executed and delivered the voting agreement and lock-up letters;

Ascent shall have delivered to RAM opinions from Ascent's counsel;

certain recorded liens burdening Ascent's properties shall have been released or payoff statements and executed lien releases that are conditioned on the payment of the amounts specified in such payoff statements shall have been delivered;

all Ascent insurance policies must be in full force and effect, other than life insurance policies on the life of any officer of Ascent who will not continue his or her employment with the surviving corporation;

Ascent shall have mailed the notice of appraisal rights to each Ascent stockholder entitled to appraisal rights under Section 262 of the DGCL at least 21 days prior to the closing date;

holders of not less than a majority of Ascent's outstanding warrants to purchase Ascent common stock shall have consented to an amendment to the related warrant agreement to terminate all of Ascent's outstanding warrants in connection with the merger; and

holders of not more than 5% of Ascent's common stock shall have properly exercised and not withdrawn a demand for appraisal under the DGCL in connection with the merger.

Ascent's obligations to effect the merger are subject to satisfaction, or waiver, of the following conditions:

the representations and warranties made by RAM and Merger Sub in the merger agreement that include a materiality qualification are true and correct as of the date of the merger agreement and, subject to the following proviso, as of the closing date as though made on and as of the closing date and the representations and warranties made by RAM and Merger Sub in the merger agreement that do not include a materiality qualification are true and correct in all material respects as of the date of the merger agreement and, subject to the following proviso, as of the closing date as though made on and as of the closing date; provided that Ascent shall not be entitled to assert inaccuracy or breach of representation or warranty by RAM and Merger Sub as a failure of this condition to closing unless the individual or aggregate impact of all such inaccuracies or breaches (without giving effect to materiality and material adverse effect qualifiers) by RAM and Merger Sub, would reasonably be expected to have a material adverse effect on RAM;



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RAM and Merger Sub shall have performed in all material respects all obligations required to be performed by them under the merger agreement at or prior to the closing;

RAM shall have delivered to Ascent an opinion from RAM's counsel;

RAM shall have executed the registration rights agreement;

RAM and the escrow agent shall have executed the escrow agreement;

the merger agreement shall have been adopted by Merger Sub in accordance with applicable law and its certificate of incorporation and bylaws (*this condition has been satisfied*);

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RAM shall have delivered board resolutions of RAM and Merger Sub approving the execution, delivery and consummation of the merger agreement and the consummation of all transactions contemplated by the merger agreement and a secretary's certificate of RAM and Merger Sub as to the validity of such resolutions and the RAM stockholder approval;

RAM stockholders shall have approved the issuance of common stock and warrants (including shares of RAM common stock issuable upon the exercise of the warrants) in connection with the merger (*this condition has been satisfied*);

RAM shall be willing, ready and able to satisfy its closing payment and closing delivery obligations; and

RAM shall have mailed this information statement to its stockholders at least 20 days prior to the closing of the merger.

**Termination of the Merger Agreement**

The parties may terminate the merger agreement and abandon the merger at any time prior to the effective time:

by mutual written consent of RAM and Ascent;

by RAM or Ascent if:

the merger is not completed on or before \_\_\_\_\_, unless the material breach of the obligations of the party seeking to terminate the merger agreement proximately contributed to the failure to consummate the merger by this date;

any order permanently restraining, enjoining or otherwise prohibiting consummation of the merger shall become final and non-appealable, provided the party seeking to terminate the merger agreement shall have used all commercially reasonable best efforts to remove such order, decree or ruling; or

Ascent properties are damaged or destroyed by fire or other casualty or are taken under the right of eminent domain and as a result thereof the value of all of the properties is reduced by an amount exceeding \$25.0 million (net of insurance proceeds);

by Ascent if:

there has been a breach of any representation or warranty or a material breach of any covenant or agreement made by RAM or Merger Sub in the merger agreement such that closing conditions to Ascent's obligation to effect the merger could not be satisfied because such breach is not curable or, if curable, is not cured within the earlier to occur of the date that is 20 days after written notice thereof is given by Ascent to RAM or Merger Sub or \_\_\_\_\_; and

by RAM if:

there has been a breach of any representation or warranty or a material breach of any covenant or agreement made by Ascent in the merger agreement such that closing conditions to RAM's or Merger Sub's obligation to effect the merger could not be satisfied because such breach is not curable or, if curable, is not cured within the earlier to occur of the date that is 20 days

after written notice thereof is given by RAM to Ascent or .

**Effect of Termination**

If the merger agreement is terminated and the merger is abandoned as described above, the merger agreement will be of no effect (except for certain provisions which survive termination as set forth in the merger agreement), with no liability on the part of any party to the merger agreement, other than for damages resulting from breach of the merger agreement prior to or in connection with such termination.

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### **Amendment of the Merger Agreement and Waiver**

At any time prior to the effective time of the merger, and subject to applicable provisions of law, the parties to the merger agreement may modify or amend the merger agreement in writing, by action of the boards of directors of the respective parties. The conditions to each of the parties' obligations to consummate the merger may be waived by such party in whole or in part to the extent permitted by applicable law.

### **Registration Rights Agreement**

The RAM common stock and warrants to be issued in conjunction with the merger and the RAM common stock issuable upon exercise of the warrants will not have been registered under the Securities Act, and therefore any resales thereof will be restricted. RAM has agreed to grant certain of the security holders of Ascent certain registration rights pursuant to the terms and conditions of a registration rights agreement to be entered into between RAM and these Ascent security holders in connection with the merger. Following the merger, the Ascent security holders will own approximately 33% of RAM's total outstanding common stock (33% on a fully diluted basis), and will have the following rights related to the registration of the common stock and the warrants issued to them in conjunction with the merger, as well as the common stock issuable upon exercise of the warrants, collectively referred to as the registrable securities:

RAM must file a shelf registration statement within 90 days of the effective date of the merger registering for resale the registrable securities. RAM must cause the shelf registration statement to be declared effective within 150 days of the effective date of the merger, and must use its reasonable best efforts to cause it to remain effective until the later of the first anniversary of the effective date of the merger or the date that no holder of registrable securities is an affiliate of RAM as such term is defined in Rule 144(a) promulgated under the Securities Act. RAM's failure to file the registration statement within 90 days of the effective date of the merger, to have the registration statement declared effective by the SEC on or prior to the 150<sup>th</sup> day following the effective date of the merger or to have the registration statement cease to be effective at any time within the one-year anniversary of the effective time, will result in RAM paying liquidated damages to the holders of registrable securities equal to \$0.0025 per registrable security that is subject to such default per fiscal quarter.

Certain security holders of Ascent, collectively referred to as the designated holders, who hold individually or collectively more than 50% of all registrable securities may make up to two demands for RAM to register all or a portion of the registrable securities. All demands for registration must be made prior to the second anniversary of the effective date of the merger. RAM may delay the filing of any demand registration statement for a period of up to 60 days, no more than twice in any twelve-month period, if RAM believes, in good faith, that the filing of such demand registration statement or the use thereof would adversely affect a material financing, acquisition, disposition of assets or stock, merger or other comparable transaction or require RAM to make public disclosure of information that would have a material adverse affect on RAM. Each demand registration must register, at minimum, registrable securities having a value of at least \$10 million.

Prior to the second anniversary of the effective date of the merger, the designated holders may exercise certain incidental or piggy-back registration rights, thereby permitting them to request registration of their securities on a registration statement initiated by RAM or other stockholders exercising demand registration rights.

The registrable securities will lose their status as such when (i) disposed of pursuant to an effective registration statement, or (ii) in the case of any designated holder, the entire amount of registrable securities owned by the holder may be sold pursuant to Rule 144 without limitation as to volume. RAM is obligated to pay all registration expenses (other than commissions paid to underwriters) for each registration statement, and has agreed to indemnify the Ascent security holders for any losses they may suffer as a result of such registrations, other than damages resulting from information provided to RAM by the Ascent security holder for inclusion in the registration statement.

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### **Lock-Up Letter**

At the closing, certain Ascent security holders will execute a lock-up letter in which each such holder agrees, with limited exceptions, not to directly or indirectly sell, offer or contract to sell or offer, grant any option or warrant for the sale of, assign, transfer or otherwise dispose of, more than 50% of the total shares of RAM common stock issued to such holders in connection with the merger. The term of the lock-up letter shall begin on the effective date of the merger and end 180 days thereafter.

### **Voting Agreement**

At the closing, certain Ascent security holders will execute a voting agreement in which each such holder agrees to vote all of the RAM common stock owned by such holders (or with respect to which it has the power to vote) on the record date applicable to any vote for the election of directors of RAM, for the directors recommended by RAM's board of directors. The voting agreement terminates immediately following the election of directors at the 2009 annual meeting of RAM's stockholders.

### **Escrow Agreement**

Concurrently with the closing of the merger, RAM will deliver \$20.0 million of the cash portion of the total consideration to JP Morgan Chase Bank, N.A., which will serve as the escrow agent. RAM may make claims against the escrow for working capital adjustments in its favor, referred to as a working capital claim, for indemnification of losses suffered by RAM pursuant to Article X of the merger agreement, and for reimbursement of certain expenses.

Any working capital claim by RAM must be made within 90 days of the effective date of the merger. Upon resolution of a timely working capital claim, the escrow agent will distribute the amount of the working capital claim to RAM to the extent of available funds and distribute the positive difference, if any, between \$5.0 million and the amount of the working capital claim to the representative for distribution to Ascent's security holders. If no working capital claim is timely made by RAM, the full \$5.0 million plus amounts deposited by RAM if the working capital adjustment is in favor of Ascent will be distributed to the representative on or about the 90<sup>th</sup> day following the effective date of the merger. Thereafter, the remaining escrow fund will be retained by the escrow agent for 18 months, subject to pending claims, to indemnify RAM for any losses suffered pursuant to the merger agreement. Any positive balance remaining in escrow following termination of the escrow agreement will be distributed to the representative for distribution to Ascent's security holders.

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**SELECTED HISTORICAL FINANCIAL DATA OF RAM**

RAM acquired RAM Energy effective May 8, 2006, by the merger of its wholly owned subsidiary with and into RAM Energy. For accounting and financial reporting purposes, the merger was accounted for as a reverse acquisition and, in substance, as a capital transaction, because RAM had no active business operations prior to consummation of the merger. Accordingly, for accounting and financial reporting purposes, the merger was treated as the equivalent of RAM Energy issuing stock for RAM's net monetary assets accompanied by a recapitalization. RAM's net monetary assets have been stated at their historical cost, with no goodwill or other intangible assets recorded. The accumulated deficit of RAM Energy has been carried forward. Operations prior to the merger are those of RAM Energy.

RAM's consolidated balance sheet data as of December 31, 2005 and 2006 and its consolidated statement of operations data for the years ended December 31, 2004, 2005 and 2006 are derived from its consolidated financial statements audited by UHY LLP, independent registered public accountants, and are incorporated by reference from its Annual Report on Form 10-K, as amended by RAM's Form 10-K/A, for the fiscal year ended December 31, 2006. RAM's consolidated balance sheet data as of December 31, 2003 and 2004 and its consolidated statement of operations data for the years ended December 31, 2002 and 2003 are derived from RAM Energy's consolidated financial statements audited by UHY Mann Frankfort Stein & Lipp CPAs, LLP, independent registered public accountants, which are not included or incorporated by reference in this information statement. The consolidated balance sheet data of RAM Energy as of December 31, 2002 are derived from RAM Energy's unaudited balance sheet, which is not included or incorporated by reference in this information statement.

The statements of operations and cash flow data for each of the six-month periods ended June 30, 2006 and 2007, and the balance sheet data as of June 30, 2007 have been derived from the unaudited consolidated financial statements contained in RAM's Quarterly Report, as amended, on Form 10-Q for the quarterly period ended June 30, 2007, which is incorporated into this document by reference.

You should read this selected historical financial data together with the financial statements that are incorporated by reference into this document and their accompanying notes, together with management's discussion and analysis of RAM's operations and financial condition, and its qualitative and quantitative disclosures about market risk that are contained in its annual report for our fiscal year ended December 31, 2006, as amended on Form 10-K/A, and its quarterly report on Form 10-Q for the quarter ended June 30, 2007.

**Table of Contents****Selected Consolidated Financial Data****(in thousands, except per share data)**

	Year Ended December 31,					Six Months Ended	
	2002	2003	2004	2005(1)	2006	2006	2007
							(unaudited)
<b>Revenues and other operating income:</b>							
Oil and natural gas sales	\$ 10,166	\$ 20,053	\$ 17,975	\$ 66,243	\$ 68,015	\$ 34,783	\$ 33,027
Gain on sale of subsidiary			12,139				
Other	163	170	338	851	640	424	302
Realized and unrealized gains (losses) from derivatives	(146)	(203)	(793)	(11,695)	1,589	(2,770)	(1,291)
<b>Total revenues and other operating income</b>	<b>10,183</b>	<b>20,020</b>	<b>29,659</b>	<b>55,399</b>	<b>70,244</b>	<b>32,437</b>	<b>32,038</b>
<b>Operating expenses:</b>							
Oil and natural gas production taxes	1,044	1,408	1,263	3,320	3,329	1,684	1,850
Oil and natural gas production expenses	3,023	3,527	3,600	16,099	18,266	8,913	9,210
Depreciation and amortization	2,947	4,098	3,273	12,972	13,252	6,524	7,554
Accretion expense		48	78	510	535	265	290
Share-based compensation					2,308	2,218	394
General and administrative, net of operator's overhead fees	5,858	6,331	6,601	8,610	9,300	4,047	4,924
<b>Total operating expenses</b>	<b>12,872</b>	<b>15,412</b>	<b>14,815</b>	<b>41,511</b>	<b>46,990</b>	<b>23,651</b>	<b>24,222</b>
<b>Operating income (loss)</b>	<b>(2,689)</b>	<b>4,608</b>	<b>14,844</b>	<b>13,888</b>	<b>23,254</b>	<b>8,786</b>	<b>7,816</b>
<b>Other Income (Expense):</b>							
Gain on early extinguishment of debt	32,883						
Interest expense	(9,240)	(4,912)	(5,070)	(12,614)	(17,050)	(9,307)	(7,828)
Interest income	277	41	35	75	309	109	520
<b>Income (Loss) from Continuing Operations Before Income Taxes and Extraordinary Item</b>	<b>21,231</b>	<b>(263)</b>	<b>9,809</b>	<b>1,349</b>	<b>6,513</b>	<b>(412)</b>	<b>508</b>
<b>Income Tax Provision (Benefit)</b>	<b>7,975</b>	<b>228</b>	<b>3,733</b>	<b>806</b>	<b>1,465</b>	<b>(157)</b>	<b>186</b>
<b>Income (Loss) from Continuing Operations</b>	<b>13,256</b>	<b>(491)</b>	<b>6,076</b>	<b>543</b>	<b>5,048</b>	<b>(255)</b>	<b>322</b>
<b>Discontinued operations:</b>							
Loss from discontinued operations	(18,016)	(1,723)					
Income tax benefit	(6,846)	(655)					
<b>Loss from discontinued operations</b>	<b>(11,170)</b>	<b>(1,068)</b>					
<b>Income (loss) before cumulative effect of change in accounting principle</b>	<b>2,086</b>	<b>(1,559)</b>	<b>6,076</b>	<b>543</b>	<b>5,048</b>	<b>(255)</b>	<b>322</b>
<b>Cumulative effect of change in accounting principle (net of tax benefit of \$275)</b>		<b>(448)</b>					
<b>Net income (loss)</b>	<b>\$ 2,086</b>	<b>\$ (2,007)</b>	<b>\$ 6,076</b>	<b>\$ 543</b>	<b>\$ 5,048</b>	<b>\$ (255)</b>	<b>\$ 322</b>

**Per Share Data (restated)**

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Net income (loss) per share attributable to common stockholders - basic														
Income (loss) from continuing operations	\$	0.42	\$	(0.02)	\$	0.20	\$	0.02	\$	0.16	\$	(0.01)	\$	0.01
Loss from discontinued operations		(0.35)		(0.03)										
Cumulative effect of change in accounting principle				(0.01)										
Net income (loss) per share	\$	0.07	\$	(0.06)	\$	0.20	\$	0.02	\$	0.16	\$	(0.01)	\$	0.01



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	Year Ended December 31,						Six Months Ended	
	2002	2003	2004	2005(1)	2006	2006	June 30, 2007 (unaudited)	
Cash dividends per share	\$	\$ 0.03	\$ 0.04	\$ 0.05	\$ 0.02	\$	\$ 0.02	
Earnings (loss) per share:								
Basic	\$ 0.07	\$ (0.06)	\$ 0.20	\$ 0.02	\$ 0.16	\$	\$ (0.01)	
Diluted	\$ 0.07	\$ (0.06)	\$ 0.20	\$ 0.02	\$ 0.16	\$	\$ (0.01)	
Weighted average shares outstanding:								
Basic	31,790,743	31,790,743	29,706,104	26,492,286	30,808,065	28,451,552	38,759,576	
Diluted	31,790,743	31,790,743	29,706,104	26,492,286	32,105,885	28,451,552	38,850,432	

**Statement of Cash Flow Data**

Cash provided by (used in):							
Operating activities	\$ (14,842)	\$ 5,774	\$ 1,793	\$ 18,359	\$ 30,537	\$ 15,366	\$ 7,496
Investing activities	(46)	7,422	(64,852)	(12,554)	(25,317)	(7,191)	(28,574)
Financing activities	(3,731)	(12,333)	62,116	(6,910)	1,431	4,698	42,876

**Other Data**

Capital expenditures(2)	\$ 6,700	\$ 5,258	\$ 102,719	\$ 13,528	\$ 28,145	\$ 10,493	\$ 28,515
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	As of December 31,					As of
	2002 (unaudited)	2003	2004	2005(1)	2006	June 30, 2007 (unaudited)
<b>Balance Sheet Data</b>						
Total assets	\$ 62,192	\$ 45,908	\$ 140,324	\$ 143,276	\$ 161,725	\$ 203,273
Long-term debt, including current portion	56,267	46,057	117,344	112,846	132,237	147,768
Stockholders (deficit)	(16,842)	(19,653)	(19,912)	(20,769)	(27,895)	(1,338)

(1) RAM acquired WG Energy Holdings, Inc. in December 2004.

(2) Includes costs of acquisitions.

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**SELECTED HISTORICAL FINANCIAL DATA OF ASCENT**

The following table presents Ascent's selected consolidated historical financial information for the periods presented. The selected consolidated historical financial information as of and for each of the five years ended December 31, 2006 has been derived from Ascent's audited consolidated financial statements and related notes. The audited consolidated financial statements and related notes as of December 31, 2005 and 2006 and for each of the three years ended December 31, 2006 are included elsewhere in this information statement. The selected consolidated historical financial information as of June 30, 2006 and 2007 has been derived from Ascent's unaudited consolidated financial statements and related notes included elsewhere in this information statement which, in the opinion of Ascent's management, have been prepared on the same basis as its audited consolidated financial statements and include all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of this information.

This information is only a summary and you should read it in conjunction with Ascent's Management's Discussion and Analysis of Financial Condition and Results of Operations and Ascent's financial statements and related notes included elsewhere in this information statement.

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	Year Ended December 31,					Six Months Ended	
	2002	2003	2004	2005	2006	2006	2007
	(in thousands, except per share amounts)						
<b>Statement of Operations Data</b>							
Revenues:							
Oil	\$ 15,924	\$ 20,377	\$ 25,431	\$ 33,228	\$ 37,821	\$ 19,631	\$ 14,948
Natural gas	25,486	24,553	22,021	36,634	30,719	16,271	13,462
NGLs	1,664	2,027	3,257	3,714	4,981	1,713	2,043
Total	43,074	46,957	50,709	73,576	73,521	37,615	30,453
Expenses:							
Production and ad valorem taxes	3,508	4,307	3,091	3,332	3,636	2,231	1,934
Lease operating expenses	10,939	11,915	12,018	11,594	13,228	6,398	6,752
General and administrative expenses	4,152	10,388	8,272	8,436	13,107	5,548	6,763
Exploration expenses	1,370	5,630	854	3,460	14,398	818	961
Depreciation, depletion and amortization	13,039	21,539	31,207	20,771	24,443	10,393	12,659
Property impairments	21	3,802	20,711	1,254	1,768		
Derivative (income) loss			6,604	33,851	(8,235)	6,725	7,780
Total operating expenses	33,029	57,581	82,757	82,698	62,345	32,113	36,849
Income (loss) from operations	10,045	(10,624)	(32,048)	(9,122)	11,176	5,502	(6,396)
Interest and other income	438	7	203	561	918	110	242
Interest expense	(11,437)	(13,661)	(16,958)	(19,496)	(24,403)	(11,266)	(14,030)
Income (loss) before income taxes	(954)	(24,278)	(48,803)	(28,057)	(12,309)	(5,654)	(20,184)
Income tax benefit (expense)	1,495	8,624	12,472	209	569	(317)	197
Income (loss) before cumulative effect of change in accounting principle	541	(15,654)	(36,331)	(27,848)	(11,740)	(5,971)	(19,987)
Cumulative effect of change in accounting principle, net of income tax of \$273 in 2003(1)		262					
Net income (loss)	541	(15,392)	(36,331)	(27,848)	(11,740)	(5,971)	(19,987)
Preferred stock dividends(2)	(3,457)	(3,976)	(3,367)	(3,358)	(3,332)	(1,665)	(1,630)
Net income (loss) attributable to common shares	\$ (2,916)	\$ (19,368)	\$ (39,698)	\$ (31,206)	\$ (15,072)	\$ (7,636)	\$ (21,617)
Net income (loss) per common share (basic and diluted)	\$ (0.59)	\$ (3.63)	\$ (6.67)	\$ (5.25)	\$ (2.53)	\$ (1.28)	\$ (3.63)
<b>Selected Cash Flow and Other Financial Data</b>							
Net cash provided by (used in) operating activities	\$ 4,674	\$ 16,935	\$ 17,369	\$ 31,475	\$ 28,063	\$ 18,281	\$ (7,428)
Net cash used in investing activities	(27,965)	(39,121)	(22,584)	(35,019)	(59,786)	(36,490)	(3,786)
Net cash provided by financing activities	21,251	26,236	1,650	4,108	34,898	18,425	11,733
Capital expenditures	27,965	39,121	22,985	34,588	60,747	36,554	6,672
	As of December 31,					As of June 30,	
	2002	2003	2004	2005	2006	2007	(Unaudited)
	(in thousands)						
<b>Balance Sheet Data</b>							
Cash and cash equivalents	\$ 31	\$ 4,081	\$ 516	\$ 1,080	\$ 4,255	\$ 4,774	
Total assets	178,590	200,374	169,267	187,221	221,563	209,960	
Long-term debt(3)	112,969	141,493	164,954	185,223	238,168	248,034	

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Series A preferred stock (including accrued but unpaid dividends)(4)	42,907	46,265	9,577	12,865	16,153	17,784
Stockholders deficit	(24,340)	(40,587)	(36,060)	(67,196)	(82,225)	(103,842)
Total liabilities and stockholders deficit	\$ 178,590	\$ 200,374	\$ 169,267	\$ 187,221	\$ 221,563	\$ 209,960

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- (1) Reflects adoption of SFAS 143 effective January 1, 2003.
  
- (2) Represents accrued but unpaid dividends on Ascent's Series A preferred stock and Series B preferred stock. In August 2003, all outstanding shares of the Series B preferred stock were converted into an aggregate of one million shares of Ascent's common stock, and all accrued but unpaid dividends thereon were declared and paid in cash.
  
- (3) Represents borrowings under Ascent's credit facility and the aggregate principal amount of outstanding senior notes and senior subordinated notes. Also includes long-term accrued interest on Ascent's senior notes and senior subordinated notes as of periods ending on or after December 31, 2004.
  
- (4) The amounts for the years ended December 31, 2002 and 2003 represent the book value of Ascent's Series A preferred stock plus all accrued but unpaid dividends thereon. The amount for the periods ending on or after December 31, 2004 represent only accrued but unpaid dividends on the Series A preferred stock. In December 2004, the terms of the Series A preferred stock were amended to eliminate Ascent's requirement to redeem the outstanding shares of Series A preferred stock on a specified date. The amendment resulted in a balance sheet reclassification of the book value of the Series A preferred stock to stockholders' deficit.

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**UNAUDITED COMPARATIVE PER SHARE DATA FOR THE  
YEAR ENDED DECEMBER 31, 2006 AND THE  
SIX MONTHS ENDED JUNE 30, 2007**

The following table summarizes unaudited per share information for RAM and Ascent for the year ended December 31, 2006 and the six months ended June 30, 2007 on an historical basis on a pro forma combined basis for RAM and on an equivalent pro forma combined basis for Ascent. It has been assumed for purposes of the pro forma financial information provided below that for the year ended December 31, 2006 and the six months ended June 30, 2007, the merger was completed on January 1, 2006 for income statement purposes, and on December 31, 2006 and June 30, 2007, respectively, for balance sheet purposes. The following information should be read in conjunction with the audited consolidated financial statements of RAM and Ascent at and for the year ended December 31, 2006, and at and for the six months ended June 30, 2007, which are either incorporated by reference into or included in this document. The following pro forma information has been prepared in accordance with the rules and regulations of the SEC and accordingly includes the effects of purchase accounting. Upon completion of the merger, RAM will cause Ascent, as the surviving corporation, to begin to use the full cost method of accounting for exploration, development and production of oil and natural gas. The information below reflects the pro forma effect of this change in accounting principle. Otherwise, the pro forma information does not reflect cost savings, synergies, or other adjustments that may result from the combination with Ascent. This information is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the merger had been completed as of the dates indicated, nor is it necessarily indicative of the future operating results or financial position of the combined company.

The historical book value per share is computed by dividing total stockholders' equity by the number of common shares outstanding at the end of the period. The pro forma earnings per share of the combined company is computed by dividing the pro forma net income available to holders of the combined company's common stock by the pro forma weighted average number of shares outstanding for the periods presented. The pro forma combined book value per share is computed by dividing total pro forma stockholders' equity by the pro forma number of common shares outstanding at the end of the period presented.

	Year Ended December 31, 2006	Six Months Ended June 30, 2007
<b>RAM Historical</b>		
Historical per common share:		
Income per share from continuing operations		
Basic	\$ 0.16	\$ 0.01
Diluted	\$ 0.16	\$ 0.01
Cash dividends declared per common share	\$ 0.02	
Book value per share at end of period	\$ (0.83)	\$ (0.03)
<b>Ascent Historical</b>		
Historical per common share:		
Net loss per share		
Basic	\$ (2.53)	\$ (3.63)
Diluted	\$ (2.53)	\$ (3.63)
Cash dividends declared per common share		
Book value per share at end of period	\$ (13.82)	\$ (17.46)

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	Year Ended December 31, 2006	Six Months Ended June 30, 2007
<b>RAM Pro Forma Combined</b>		
Unaudited pro forma per RAM common share:		
Income per share from continuing operations		
Basic	\$ 0.01	\$ (0.08)
Diluted	\$ 0.01	\$ (0.08)
Cash dividends declared per common share	\$ 0.01	
Book value per share at end of period	\$ 1.85	\$ 1.53
<b>Ascent Pro Forma Equivalents (1)</b>		
Unaudited pro forma per Ascent common share:		
Income per share from continuing operations		
Basic	N/A	N/A
Diluted	N/A	N/A
Cash dividends declared per common share	N/A	N/A
Book value per share at end of period	N/A	N/A

- (1) The Ascent common stockholders will only receive cash in the merger. As a result, an equivalent per share calculation for Ascent common stockholders cannot be determined.

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**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

The following unaudited pro forma condensed consolidated financial statements of RAM are based on the historical financial statements of RAM and Ascent, adjusted to reflect (i) the issuance by RAM of 7.5 million shares of its common stock on February 13, 2007, which is referred to as the 2007 offering, and the application of the \$28.4 million of net proceeds received from such issuance, and (ii) the proposed acquisition of Ascent by RAM. The historical financial information for RAM was derived from its Annual and Quarterly Reports on Form 10-K, Form 10-K/A and Form 10-Q, for the year ended December 31, 2006, and for the six months ended June 30, 2007, which are incorporated by reference into this document. The historical financial information of Ascent was derived from its audited consolidated financial statements for the year ended December 31, 2006 and its unaudited consolidated financial statements for the six months ended June 30, 2007, which are included elsewhere in this information statement. The following pro forma information has been prepared in accordance with the rules and regulations of the SEC and, accordingly, includes the effects of purchase accounting resulting from the proposed merger. Upon completion of the merger, RAM will cause Ascent, as the surviving corporation, to adopt the full cost method of accounting for exploration, development and production of oil and natural gas. The information below reflects the pro forma effect of this change in accounting principle. Otherwise, the pro forma information does not give effect to cost savings, synergies, or other adjustments that may result from the proposed merger. The unaudited pro forma condensed consolidated balance sheet as of June 30, 2007 reflects the acquisition as if it had occurred as of that date. The unaudited pro forma condensed consolidated statements of income for the year ended December 31, 2006 and the six months ended June 30, 2007 reflect the 2007 offering and the acquisition as if each had occurred on January 1, 2006. The unaudited pro forma condensed consolidated financial statements are not necessarily indicative of the operating results or financial position of RAM that would have occurred if the 2007 offering and the acquisition had been completed as of the dates indicated, nor are they necessarily indicative of the future operating results or financial position of the combined company.

A preliminary allocation of the purchase price has been made to major categories of assets and liabilities in the accompanying unaudited pro forma condensed consolidated financial statements based on currently available information. The actual final purchase price allocation and the resulting effect on income from operations may differ from the pro forma amounts included herein. These pro forma adjustments represent RAM's preliminary determination of purchase accounting adjustments and are based on available information and certain assumptions that RAM believes to be reasonable. More information about the assets, liabilities and oil and gas reserves, as of the closing date, will become available when the merger is completed. Currently, the purchase price to be allocated to certain assets of Ascent, principally to its property, plant and equipment, including components of such assets, is stated on a preliminary basis, pending additional information to complete the required analyses. For example, RAM may sell certain properties acquired from Ascent. The final determination of the values to be assigned to these assets and any related liabilities will be finalized after the acquisition has been completed and RAM has better market information about these assets. In addition, the properties of Ascent that RAM intends to keep need to be further evaluated with respect to their existing reserves to determine their fair values. RAM also has not made a final determination of all the liabilities that may be attributable to the proposed transaction, such as site closure and transaction costs, as well as the fair values of all existing liabilities, including any contingent liabilities, or those that may arise due to the transaction. RAM expects to finalize its allocation of the purchase price as soon after the completion of the proposed acquisition as practicable. Consequently, the amounts reflected in the pro forma financial information are subject to change.



**Table of Contents****RAM Energy Resources, Inc.****Pro Forma Combined Statements of Operations****Year ended December 31, 2006****(In thousands, except shares and per share amounts)****(Unaudited)**

	Historical		Adjustments		Pro Forma
	RAM	Ascent	Combining(1)	Financing(2)	
<b>REVENUES</b>					
Oil	\$ 48,013	\$ 37,821	\$	\$	\$ 85,834
Natural gas	14,232	30,719			44,951
NGLs	5,770	4,981			10,751
Oil and natural gas sales	68,015	73,521			141,536
Realized and unrealized gain (loss) on derivatives	1,589	8,235	(7,543)(a)		2,281
Other	640				640
	70,244	81,756	(7,543)		144,457
<b>COSTS AND EXPENSES</b>					
Oil & natural gas production and ad valorem taxes	3,329	3,636			6,965
Oil & natural gas production expenses	18,266	13,228			31,494
Exploration expense		14,398	(14,398)(b)		
Amortization and depreciation	13,252	24,443	7,373(c)		45,068
Accretion expense	535				535
Property impairments		1,768	(1,768)(d)		
Share-based compensation	2,308				2,308
General & administrative expenses, net of operator overhead fees	9,300	13,107	(1,632)(e)		20,775
	46,990	70,580	(10,425)		107,145
<b>OPERATING INCOME (LOSS)</b>	<b>23,254</b>	<b>11,176</b>	<b>2,882</b>		<b>37,312</b>
Other income and (expense)					
Interest income	309	918			1,227
Interest expense	(17,050)	(24,403)		3,386	(38,067)
Other expense					
Income (loss) before income taxes	6,513	(12,309)	2,882	3,386	472
Income tax provision (benefit)	1,465	(569)	(790)(f)		106
<b>NET INCOME (LOSS)</b>	<b>5,048</b>	<b>(11,740)</b>	<b>3,672</b>	<b>3,386</b>	<b>366</b>
<b>PREFERRED STOCK DIVIDENDS</b>		<b>(3,332)</b>	<b>3,332(g)</b>		

**NET INCOME (LOSS) ATTRIBUTABLE  
TO COMMON SHARES**

	\$	5,048	\$ (15,072)	\$	7,004	\$	3,386	\$	366
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PER SHARE DATA (historical restated)

**EARNINGS (LOSS) PER SHARE**

Basic	\$	0.16				\$	0.01
Diluted	\$	0.16				\$	0.01

**WEIGHTED AVERAGE SHARES**

**OUTSTANDING**

Basic	30,808,065		26,493,271(h,i)		57,301,336
Diluted	32,105,885		26,493,271(h,i)		58,599,156

**Table of Contents****RAM Energy Resources, Inc.****Pro Forma Combined Statements of Operations**

Six months ended June 30, 2007

(In thousands, except shares and per share amounts)

(Unaudited)

	Historical RAM	Historical Ascent	Adjustments Combining(1)	Adjustments Financing(2)	Pro Forma
<b>REVENUES</b>					
Oil	\$ 21,880	\$ 14,948	\$	\$	\$ 36,828
Natural gas	8,189	13,462			21,651
NGLs	2,958	2,043			5,001
Oil and natural gas sales	33,027	30,453			63,480
Realized and unrealized gain (loss) on derivatives	(1,291)	(7,780)	6,590(a)		(2,481)
Other	302				302
	32,038	22,673	6,590		61,301
<b>COSTS AND EXPENSES</b>					
Oil & natural gas production and ad valorem taxes	1,850	1,934			3,784
Oil & natural gas production expenses	9,210	6,752			15,962
Exploration expense		961	(961)(b)		
Amortization and depreciation	7,554	12,659	718(c)		20,931
Accretion expense	290				290
Property impairments				(d)	
Share-based compensation	394				394
General & administrative expenses, net of operator overhead fees	4,924	6,763	(704)(e)		10,983
	24,222	29,069	(947)		52,344
<b>OPERATING INCOME (LOSS)</b>	7,816	(6,396)	7,537		8,957
Other income and (expense)					
Interest income	520	242			762
Interest expense	(7,828)	(14,030)		4,564	(17,294)
Other expense					
Income (loss) before income taxes	508	(20,184)	7,537	4,564	(7,575)
Income tax provision (benefit)	186	(197)	(2,762)(f)		(2,773)
<b>NET INCOME (LOSS)</b>	322	(19,987)	10,299	4,564	(4,802)
<b>PREFERRED STOCK DIVIDENDS</b>		(1,630)	1,630(g)		
<b>NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHARES</b>	\$ 322				

\$ (21,617)      \$ 11,929      \$ 4,564      \$ (4,802)