

RAM ENERGY RESOURCES, INC.

Audit Committee Charter

The Audit Committee of RAM Energy Resources, Inc. (the “Company”) is appointed by its Board of Directors (the “Board”) to assist the Board in monitoring (i) the integrity of the financial statements of the Company, (ii) the compliance by the Company with legal and regulatory requirements, (iii) the qualification, independence and performance of the Company’s internal and external auditors, and (iv) the performance of the Company’s internal audit function.

The Audit Committee shall be directly responsible for the appointment, compensation and oversight of the work of any accounting firm employed by the Company for the purpose of preparing or issuing an audit report or related work, including resolution of disagreements between management and such accounting firm (the “independent auditor”) regarding financial reporting.

The members of the Audit Committee shall meet the independence and experience requirements of the NASDAQ, and at least one member shall have, through education and/or experience, sufficient expertise to qualify as a “financial expert” as defined by the Securities Exchange Commission.

The members of the Audit Committee shall be appointed by the Board. Other than in a member’s capacity as a member of the Audit Committee, the Board of Directors or another Board committee, a member of the Audit Committee shall not (i) accept any consulting, advisory or other compensatory fee from the Company, nor (ii) be an affiliated person of the Company or any of its subsidiaries.

The Audit Committee shall have the authority to retain, at the Company’s expense, independent legal, accounting or other consultants to advise the Committee, as it determines necessary to carry out its duties. The Audit Committee may request any officer or employee of the Company or the Company’s outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Audit Committee shall make regular reports to the Board.

The Audit Committee shall at least annually, unless otherwise specified:

1. Review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
2. Review the annual audited financial statements with management, including major issues regarding accounting and auditing principles and practices as well as the adequacy of internal controls that could significantly affect the Company’s financial statements.

3. Review an analysis prepared by management and the independent auditor of significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements.
4. Review with management and the independent auditor the Company's quarterly financial statements prior to the filing of its Form 10-Q, including the results of the independent auditor's review of the quarterly financial statements.
5. Meet periodically with management to review the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
6. Review major changes to the Company's auditing and accounting principles and practices as suggested by the independent auditor, internal auditors or management.
7. Appoint an accounting firm to serve as the Company's independent auditor for the purpose of preparing or issuing an audit report or related work, which independent auditor shall report directly to, and is ultimately accountable to, the Audit Committee.
8. Determine appropriate funding for payment of compensation to the Company's independent auditor, and any consultants, including independent legal counsel, employed by the Audit Committee. The Audit Committee shall have the authority to effect payment of compensation to be paid to the Company's independent auditor and to any consultants the Committee retains.
9. Receive periodic reports from the independent auditor regarding the auditor's independence, discuss such reports with the auditor, and if determined necessary or appropriate by the Audit Committee, take appropriate action to satisfy itself of the independence of the auditor.
10. Evaluate the performance of the independent auditor and, if so determined necessary or appropriate by the Audit Committee, replace the independent auditor.
11. Review the appointment and replacement of the senior internal auditor.
12. Review the significant reports to management prepared by the internal auditing department and management's responses.
13. Meet with the independent auditor prior to the audit to review the planning and staffing of the audit.
14. Obtain from the independent auditor assurance that none of subsections (b), (g) or (j) of Section 10A of the Securities Exchange Act of 1934 have been implicated.
15. Obtain reports from management, the Company's senior internal auditor and the independent auditor that the Company's subsidiary/foreign affiliated entities, if any, are in conformity with applicable legal requirements.

16. Discuss with the independent auditor the matters required to be discussed by Statement of Auditing Standards No. 61 relating to the conduct of the audit.

17. Review with the independent auditor (i) the auditor's report to the Audit Committee pursuant to Section 10A(k) of the Securities Exchange Act of 1934 relating to an audit conducted for the Company, including any problems or difficulties that auditor may have encountered and (ii) any management letter provided by the auditor and the Company's response to that letter. Such review should include:

- (a) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information;
- (b) Any changes required in the planned scope of the internal audit; and
- (c) The internal audit department responsibilities, budget and staffing.

18. Prepare the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement.

19. Recommend to the Board a code of ethics for senior financial officers.

20. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations.

21. Review with the Company's outside counsel legal matters that may have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies.

22. Meet at least annually with the chief financial officer, the senior internal auditor and the independent auditor in separate executive sessions.

23. Establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting or auditing matters. Such procedures must be designed to ensure that the Audit Committee promptly receives information regarding any such complaints or concerns.

24. Recommend to the Board guidelines for the Company's hiring of employees of the independent auditor who were engaged on the Company's account.

25. Pre-approve all audit and non-audit services to be provided to the Company by the Company's independent auditor; provided that the Committee may establish guidelines for (i) the delegation of authority for pre-approval to a single member of the Committee and/or (ii) establishing a de minimus exception in accordance with applicable laws and regulations.

26. Establish guidelines for the retention of the independent auditor for any non-audit service. The following non-audit services may not be performed by the Company's independent auditor contemporaneously with the audit services.

- (a) Bookkeeping or other services related to the accounting records or financial statements of the Company;
- (b) Financial information systems design and implementation;
- (c) Appraisal or valuation services, fairness opinions, or contribution-in-kind reports;
- (d) Actuarial services;
- (e) Internal audit outsourcing services;
- (f) Management functions or human resources;
- (g) Broker or dealer, investment adviser, or investment banking services;
- (h) Legal services and expert services unrelated to the audit; and
- (i) Any other service that the Audit Committee determines is impermissible.

27. Review and approve all related-party transactions.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the independent auditor. Nor is it the duty of the Audit Committee to conduct investigations, to resolve disagreements, if any, between management and the independent auditor (except as otherwise set forth herein) or to assure compliance with laws and regulations.