

ASX Announcement
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ASX Code

RFE (Fully Paid Ordinary Shares)

Oil Discovery at West Tulsa Extended with Step-out Well

- *Moebius #2-28* well successfully intersects oil bearing sand 2,700 feet from the nearest well in the discovery area
- Kicks off the next phase of development of the already large conventional oil and gas discovery
- Expands oil and gas reserves
- 40 feet of pay logged in the Red Fork Sand formation
- Next well to spud immediately following completion of operations on this well

Oklahoma based (ASX listed) oil and gas exploration and production company Red Fork Energy Limited ("Red Fork") is pleased to announce that the next well in the ongoing development of its 100% owned and operated West Tulsa conventional oil and gas project has successfully intersected the Red Fork Sand formation.

The *Moebius #2-28* well intersected the Red Fork Sand, a formation which is already being successfully exploited at West Tulsa, at a depth of approximately 3,100 feet.

This well is a significant step-out to the nearest off-setting well, which is located approximately 2,700 feet to the south east.

Sample description and log analysis has highlighted oil bearing pay of approximately 40 feet in this zone. Log analysis indicates that this productive interval in this latest well is as strongly developed as the same interval in off-setting wells already producing at the project.

The well is currently drilling ahead at approximately 4,200 on its way to its target depth of 6,000 feet, where it will test for further hydrocarbon bearing formations below the Red Fork sand, including the Arbuckle formation.

The confirmation of productive Red Fork Sand in this well further extends what is already a significant conventional oil and gas discovery at West Tulsa, adding a number of new drilling locations, expanding the oil and gas reserves and kicking off phase two of the development of the project.

This second phase of development is proceeding within this 12,000 acre prospect, with the establishment of a second central delivery point for oil, gas and water disposal facilities.

With the completion of this well, Red Fork will have a total of nine wells drilled and five producing at West Tulsa with significant permanent oil and gas facilities established.

Well Name	Description	Type	Status
Fuss #1-34	Drilled, logged, cased & tested	Oil well (associated gas)	Producing
Fuss #1-33	Drilled, logged, cased & tested	Gas well	Producing
Fuss #2-33	Drilled, logged & cased	Water disposal	Operational
Rosier #1-27	Drilled, logged, cased & tested	Oil well (associated gas)	Producing
Rosier #2-27	Drilled, logged, cased & tested	Oil well (associated gas)	Producing
Fuss #3-33	Drilled, logged, cased & tested	Oil well (associated gas)	Producing
Moebius #1-28	Drilled, logged & cased	Primary target oil	Completion operations
Fuss#2-34	Drilled, logged & cased	Primary target oil	Completion operations
Moebius #2-28	Drilling, partially logged	Primary target oil	Drilling ahead

Red Fork expects to continue with the aggressive development of its successful West Tulsa project, with the next well expected to spud immediately following the completion of operations on the *Moebius #2-28* well. Ongoing development will be funded from existing working capital and cash flow.

Yours faithfully,



David Prentice
Managing Director

About Red Fork Energy Limited

Red Fork Energy Limited is an Australian publicly listed company developing oil and gas assets in Oklahoma, United States. The Company currently owns and operates three projects, East Oklahoma (~110,000 acres), West Tulsa (~15,000 acres) and Osage (~5,000 acres). These assets provide proven producing oil and gas fields as well as highly prospective exploration acreage for future growth. Red Fork is well advanced in achieving its goal of becoming an independent exploration and production company through the commercialization of the coal bed methane, shale gas and conventional oil and gas resources located within its landholdings.

Forward Looking Statements

This announcement contains “forward-looking statements”. Such forward-looking statements include, without limitation: estimates of future earnings, the sensitivity of earnings to oil & gas prices and foreign exchange rate movements; estimates of future oil & gas production and sales; estimates of future cash flows, the sensitivity of cash flows to oil and gas prices and foreign exchange rate movements; statements regarding future debt repayments; estimates of future capital expenditures; estimates of reserves and statements regarding future exploration results and the replacement of reserves; and where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to oil and gas price volatility, currency fluctuations, increased production costs and variances in reserves or recovery rates from those assumed in the company’s plans, as well as political and operational risks in the countries and states in which we operate or sell product to, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company’s Annual Reports, as well as the Company’s other filings. The Company does not undertake any obligation to release publicly any revisions to any “forward looking statement” to reflect events or circumstances after the date of this release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.