

ASX Announcement  
August 8, 2011



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#### Website

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#### Directors

Michael Fry (Chairman)  
David Prentice (Managing Director)  
Perry Gilstrap (Director Operations)  
Bruce Miller (Director Resources)  
Steve Miller (Non-Executive Director)

#### ASX Code

RFE (Fully Paid Ordinary Shares)

## Horizontal Mississippian Drilling Underway

Oklahoma based (Australian Securities Exchange listed) oil and gas exploration and production company Red Fork Energy Limited ("Red Fork" or the "Company") is pleased to announce that drilling operations are underway at the Company's first development area in the exciting horizontal Mississippian oil and liquids rich gas play in Oklahoma.

Drilling and associated equipment was moved on location over the weekend to the Company's twin well location in Pawnee County.

The *Tahara 1-28H well* is expected to be spudded from this location this week. Drilling time is expected to be 25 to 30 days. The drilling rig will then be moved 75 feet to the north and the *Abunda 1-21H well* will be spudded from the same pad site.

Red Fork expects to have both wells drilled logged and cased in approximately 60 days from the initial spud date of the *Tahara 1-28H well*.

The Company expects that a total of approximately 8,500 feet of lateral will be drilled and cased from these two wells on this twin well location. Completion work is scheduled to commence immediately after all drilling equipment is removed.

Red Fork holds a majority interest in these first two wells and will be the operator.

Water disposal, gas lines, and electric services are being extended to existing facilities to service this twin well location.

Yours faithfully

David Prentice  
Managing Director

## 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 & 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.