

ASX Announcement
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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)

Wire-line Log Results Confirm Very Large Reservoir *Tahara #1-28H* Well Pawnee County, Oklahoma

- ✓ Schlumberger wire-line logging and analysis confirms Original Oil in Place (OOIP) of 58.4 million barrels (mmbo) per square mile (640 acre section) or 109.26 barrels per acre foot
- ✓ Red Fork expects this OOIP result to deliver a very large increase in recoverable reserves per square mile – using a conservative recovery factor the recoverable reserves per section could be as much as three times the current reported industry average
- ✓ In addition to the OOIP, the Company expects to recover additional associated (high BTU) gas based on a factor of between 3Mcf and 5Mcf per barrel
- ✓ Log analysis identifies 835 feet of oil filled fractures encountered in interbedded Mississippi limestone and chert intervals throughout the length of the lateral
- ✓ The well is now being prepared for production and work to complete the perforation and reservoir stimulation plan is underway
- ✓ Gas and water lines are being extended to existing sales and disposal infrastructure

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 provide the following summary of the results of the comprehensive wire-line logging operations conducted on its first long lateral in the Mississippi Lime formation in Pawnee County, Oklahoma.

The Company engaged Schlumberger to run and analyze a full suite of open hole logs, including Triple Combo (with ELAN analysis), FMI and Sonic logs of the full length of the lateral in the recently drilled, cased and cemented *Tahara #1-28H* well.

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Based on the analysis of data from these logging operations Schlumberger have provided estimates of OOIP place, identifying 58.4mmbo per square mile (640 acre section) or 109.26 barrels of oil per acre foot.

The Company expects that this OOIP result will deliver a very large increase in recoverable reserves per square mile (640 acres section). Using a conservative recovery factor the recoverable reserves per section could be as much as three times the current reported industry average. In addition to the OOIP, the Company expects to recover additional associated (high BTU) gas based on a factor of between 3mcf and 5mcf per barrel

Importantly, analysis of the logs identified approximately 835 feet of oil filled fractures encountered in interbedded Mississippi Limestone and chert throughout the length of the lateral. The lateral was generally positioned in the center of the Mississippi Limestone formation in an area of interbedded limestone and chert intervals, with cuttings typically showing a percentage of both limestone and chert.

Work to finalize the perforation and reservoir stimulation plan is now underway and data from this comprehensive logging operation will be incorporated in the final design of the completion plan as the well is prepared for production. Gas and water lines are being extended to existing sales and disposal infrastructure to service this well and the *Abunda #1-21H* well that is currently being drilled from this twin well location.

Commenting on this release, Red Fork Managing Director, David Prentice, said, "We are very pleased that this analysis of data from our first long lateral in the Mississippi in Pawnee County has delivered these very significant estimates of oil in place."

"This is a strong endorsement of the methodologies we used in the selection of our acreage in this exciting play in Oklahoma and we are looking forward to continuing our efforts in securing additional infill select high-grade acres in the play and progressing our 2011 horizontal drilling program."

Yours faithfully



David Prentice
Managing Director

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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.

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