

ASX Announcement  
December 22, 2011



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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)

## Production Report *Tahara #1-28H* Well Pawnee County, Oklahoma

Oklahoma based (Australian Securities Exchange listed) oil and gas exploration and production company, Red Fork Energy Limited ("Red Fork" or the "Company") is very pleased to provide the following further update on production testing operations at the *Tahara #1-28H* well (Red Fork 100% Working Interest), in Pawnee County Oklahoma.

As of December 21, 2011 the well is continuing to clean up as the fluid level is slowly lowered. There is currently approximately 2,200 feet of fluid above the ESP. The rate of pumping is being monitored continuously and the rate at which the fluid level is lowered is being controlled to ensure optimum reservoir management and recoveries.

The well is producing by pumping via the ESP and intermittent flow through the casing, with production rates in excess of 300 barrels of oil equivalent ("BOE") per day recorded over the last two weeks. Production rates are expected to increase and stabilize as the fluid level continues to be lowered and all 12 stages of reservoir stimulation are exposed.

Whilst production rates have not yet stabilized, sales have been maintained throughout this initial period of testing. Oil is being delivered to surface facilities and is being sold, gas is going to sales (via a percentage of proceeds contract) and water is going to the Company's disposal system.

The well continues to produce 38 API gravity oil, while the liquids rich gas has increased to 1,650 BTU. Gas to oil ratios have remained consistent throughout this phase of testing.

Once the well has cleaned up and production rates have stabilized the Company will release a 30-day peak rate for the well.

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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