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Manager Announcements
Company Announcements Office
Australian Stock Exchange Limited
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DRILLING PROGRAM UNDERWAY

The Directors of Redfork Energy Limited ("Redfork or the Company") are pleased to announce that the, *Redfork #1-29 Well*, was spudded at 6.00am (Central Time) on 10 December 2006. The well was drilled to 300 feet and set with surface casing at 2.00pm. This well will be drilled to a total depth of approximately 2,700 feet (to the top of the granite basement) and will test all payable zones, including all of the known Coals on the leasehold as well as the Arbuckle formation (a known oil producing formation).

The Company will complete a full suite of logs on the *Redfork #1-29*, including Dual Induction, Compensated Density-Neutron and Micro Log. Casing will be set through all potentially productive intervals and cemented so that each zone can be isolated for testing.

In addition to the known Coals, this well has been located to test the oil production potential of the middle and lower Arbuckle. The Company has completed analysis (geological, drilling log and past production data) that indicates that locations within its 4,200 acre holding in Osage County are favorable for combination structural/stratigraphic oil trapping mechanisms.

The Arbuckle formation in this portion of the Company's leasehold has produced (historically) in excess of 2 million barrels of oil, with this production attributed to the upper 50 feet of the formation. The formation is approximately 700 feet thick in this area.

The *Redfork #1-29* is the first of three wells to be drilled in this campaign. The Company anticipates that these wells will be drilled prior to the end of December 2006 and that they will be completed and tied-in to production infrastructure during the March 2007 Quarter. Results of the drilling and initial production data will be released as they become available.

This program (together with the ongoing program of re-completions) will bring the total number of wells that have been drilled and completed by Redfork to twelve (12) by year end. Production (and revenue) from these wells will be brought to account in the March 2007 Quarter.

Yours faithfully,



David Prentice
Executive Director

For further information please contact:
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