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19 January 2007

Australian Stock Exchange Ltd
Via Electronic Lodgement

WEEKLY OPERATIONS UPDATE

Strike Oil is pleased to announce the following update on drilling activities in the USA.

Gulf Coast, Texas

Mesquite Project, Webernich 5 well *(Strike Oil, 32.3% working interest)*

Completion operations are underway on the Webernich 5 well. A small potentially commercial gas zone is interpreted.

Flint Prospect, McGall 1 well *(Strike Oil, 25% working interest)*

The drilling rig for the McGall 1 exploration well to be drilled on the Flint Prospect is being moved onto the location and rigging up. A spud date expected within two weeks will be announced soon. The well is targeting a large gas prospect the order of 200 billion cubic feet of gas potential opportunity in the Wilcox Formation, the same horizon to the main producing level at the Mesquite Prospect.

Rocky Mountains, Colorado

Tow Creek Prospect, Coal View Unit 31-4 well *(Strike Oil, 37.5% working interest)*

The completion attempt on the Coal-View Unit 31-4 has been delayed due to severe weather. The testing program is evaluating 245 feet (75 metres) of oil and gas shows in the main objective which is interpreted to be moderately to intensely fractured. The fractures provide the storage mechanism and flow paths for the oil and gas. Operations are expected to recommence next Monday subject to weather.

Bear River Prospect, Peltier 11-12 well
(Strike Oil 33.75% working interest)

The Peltier 11-12 well, the second of three "proof of concept" wells on the Tow Creek/Bear River prospects spudded on 12 January 2007. The rig was preparing to run 9 5/8" casing to 3,750 feet (1,143 metres) as of 18 January 2007, Denver Time. The well is targeting up to 500,000 barrels of oil in its own right and will be using the same drilling approach as used to successfully drill the Coal View Unit 31-4 well on the Tow Creek prospect.

Refer to attached more detailed release by Comet Ridge Limited concerning Tow Creek and Bear River operations.

Strike Oil will make weekly Operations reports each Friday, unless otherwise warranted, while drilling operations are in progress.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Simon Ashton', with a stylized flourish at the end.

SIMON ASHTON
Managing Director - Strike Oil Limited

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**COMET RIDGE LIMITED
ASX ANNOUNCEMENT
19 JANUARY 2007**

The Company Announcements Officer
Australian Stock Exchange Limited Exchange Centre
20 Bridge Street
SYDNEY NSW 2000
By Electronic Lodgement

**OPERATIONS UPDATE
TOW CREEK & BEAR RIVER PROJECTS,
ROUTT COUNTY, COLORADO, USA**

MAIN POINTS

- Completion of CVU 31-4 to recommence 22 January
- Peltier 11-12 running casing at 3,750 feet

The directors of Comet Ridge Limited (ASX Code COI) are pleased to provide the following operational update for the Tow Creek and Bear River prospects in Routt County, Colorado, USA.

TOW CREEK (Comet Ridge 37.5% and Operator)

The completion of the Coal View Unit 31-4 well is expected to recommence next Monday subject to weather. The Rockies region continues to experience extremely cold weather conditions resulting in a number of drilling and completion rigs in the region being shut down.

Cold weather heaters and a hot oil trailer have been secured and will be on location Monday. The planned operation is to run in to the hole to 6,600', condition the hole (i.e. make sure there are no ledges or tight spots), circulate out the potassium formate drilling mud that is in the hole currently with Niobrara oil and then run a 5-1/2" liner from 4,700' to 6,600'. A down hole electric submersible pump will then be installed at the bottom of the well bore and the well will be put on test.

BEAR RIVER (Comet Ridge 33.75% and Operator)

At the Peltier 11-12 well, as of 3pm January 18th, Denver time (7am January 19th, Perth time) the rig was pulling out of the hole in preparation of running 9 5/8" casing to 3,750 feet. Drilling is expected to recommence Saturday. The next part of the hole will be directionally drilled with the angle of the well being built to 40° from vertical. Another string of steel casing will be set at 5,000 feet prior to drilling the objective Niobrara section down to 6,540 feet (see Figure 1).

The Peltier 11-12 is targeting up to 500,000 barrels. As mentioned in previous announcements it is the second of three "Proof of Concept" wells designed to prove up a much larger opportunity base.

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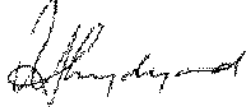
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Comet Ridge and partner Strike Oil Limited (ASX Code: STX) are funding the drilling of this well 50:50. Following completion of this well all earning requirements on the Tow Creek and Bear River prospects will have been completed.

Yours sincerely



ANDREW LYDYARD
Managing Director
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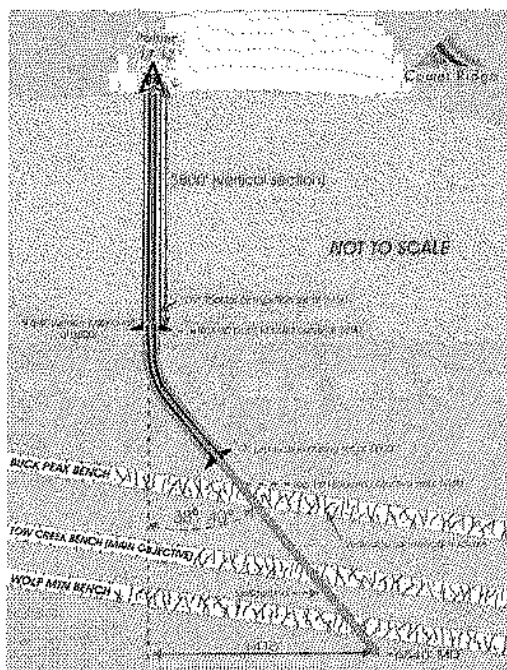
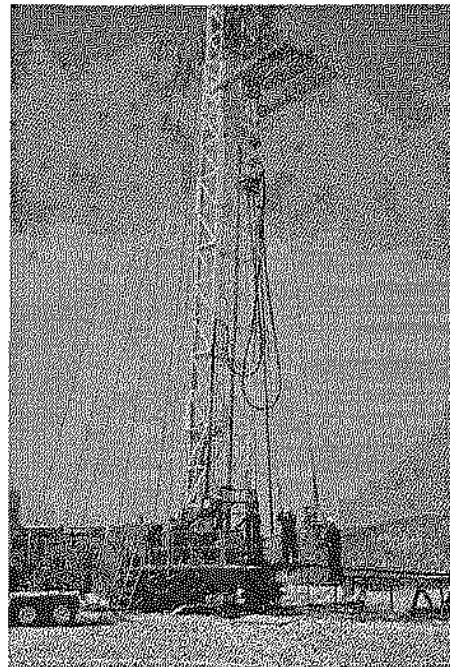


Figure 1 – Peltier well design



Diamond Back workover rig
on the CVU 31-4 well location