



3 April 2008

Strike Oil Limited  
ABN 59 078 012 745

The Company Announcement Officer  
Australian Stock Exchange Ltd  
*via electronic lodgement*

## USA AND AUSTRALIAN PROJECTS OPERATIONAL UPDATE

Strike Oil is pleased to provide the following report on its Gulf Coast Rayburn drilling and testing programme and its Cooper-Eromanga Basin drilling programme.

### **RAYBURN**

- **Fifth well, Duncan 3 spudded**
- **Production facilities and pipelines connected**
- **Testing programme for 3 wells commenced**

### **COOPER - EROMANGA BASIN**

- **First of two wells, Currumbin 1, spudded**

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### **RAYBURN PROJECT – WHARTON COUNTY**

(Strike Oil 22.8% Working Interest; Operator Cypress E&P Corporation)

#### **Duncan 3**

Duncan 3, the fifth well to evaluate the Rayburn prospect, spudded on 26 March 2008. The 13 3/8 inch casing has been set at 2,650 feet (808 metres). Current operation is drilling ahead at 5,026 feet (1,532 metres) in 9 5/8 inch hole.

The well is located approximately midway between the Duncan 1 and Duncan 2 wells. It is targeting the same Middle Wilcox pay sand encountered in Duncan 1 and 2 wells and Gilbert Freeman 1 well. Proposed total depth is 12,200 feet (3,719 metres).



### **Our Strengths**

- Producer/Explorer with strong cash flow
- Track record of discoveries
- Geographically diverse portfolio
- Highly experienced team
- Strong experienced partners
- Innovative approach to E&P

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### Testing of Duncan 2, Gilbert Freeman 1 and Hlavinka-Duncan 1R

The operator, Cypress E&P, has advised the production facilities and pipeline connections to Duncan 2 and Gilbert Freeman 1 have been completed.

The Duncan 2 well has been perforated and a fracing operation is underway. Test results will be announced after a stable flow rate has been achieved.

Testing of the Gilbert Freeman 1 and Hlavinka-Duncan 1R wells will be undertaken progressively during the month of April.

### Duncan 1

The Duncan 1 well continues to perform at the exceptional rate of around 10 million cubic feet per day and 250 barrels of condensate per day. The well has now been performing at these rates for over three months.

Strike Oil's Managing Director, Simon Ashton, commenting on the progress of the Rayburn Project stated that:-

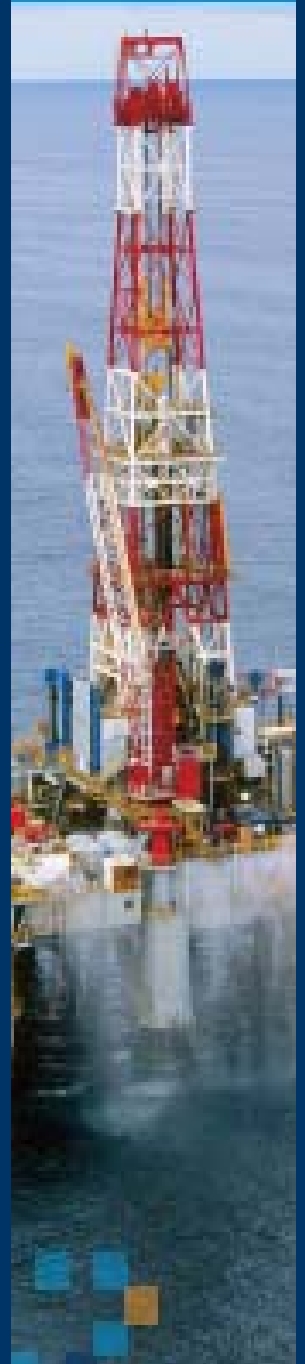
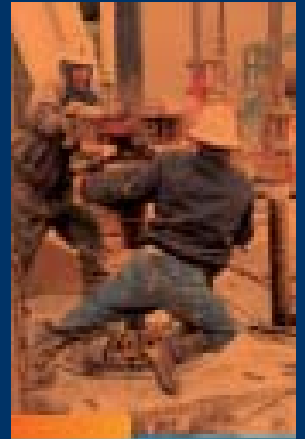
*"The completion of the initial phase of field development, including installation of the production pipelines and gas processing facilities represents a major milestone in the development of the Rayburn Field. The three completed wells can now be brought immediately to sales as flow testing is undertaken. Current revenues to Strike Oil are now exceeding one million dollars (Australian) per month and should increase substantially during the coming months as the new wells are brought on production. The fifth well on the field, Duncan 3, is now drilling as part of the ongoing field appraisal and development programme, with up to six further appraisal / development wells currently scheduled for this year".*

### ATP 633 P - COOPER-EROMANGA BASIN, QUEENSLAND (Strike Oil 15.00% Working Interest; Operator Beach Petroleum)

#### Currumbin 1

The operator of ATP633P, Beach Petroleum, has advised the Currumbin 1 exploration well spudded on 2 April 2008. At 6 am EDST the well was drilling ahead at 218 metres.

The Currumbin prospect is located approximately 5km south of the Chiron Field and 5.6 km west of 1989 Gidgee-1 well, which flowed in excess of 1,000 barrels of oil per day. The prospect is an untested four-way dip closure defined by the 1 x 1 km 2007 Gukithi 2D seismic survey.



The objectives are the Murta Formation, Namur Sandstone and Hutton Sandstone which have been proven to be oil prone within the area. The probabilistic mean prospective resource for the Namur Sandstone, the primary objective, is 0.45 million barrels of oil with a deterministic upside of 6.2 million barrels of oil. The well is programmed to drill to 1,550 metres.

### Coolangatta 1

The Coolangatta prospect will be drilled immediately after Currumbin 1. It is one of the many prospects identified by the 2007 Gukithi 2D seismic survey.

Yours faithfully



**SIMON ASHTON**  
Managing Director

*Further information:*

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