

## ASX Announcement

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13 December 2013

### **Oil Production at Ungani Recommences**

Buru Energy Limited (“Buru”) is pleased to announce that oil production from the Ungani Field has recommenced with the first load out of oil from the field to the storage facility at the Port of Wyndham.

#### **Highlights**

- Ungani 2 well producing very strongly on cleanup flow
- Ungani 1 to be flow tested shortly
- First shipment of 700 barrels of oil from the field to the Port of Wyndham on 11 December
- Planned production ramp up to 1,500 barrels a day as the production system is fully commissioned
- Crusader 405 rig to be mobilised to site for Ungani 3 shortly

#### **Ungani production**

Following the successful workover of Ungani 2, the well has been brought back onto production and is flowing strongly. On a multi rate test the well produced up to 1,795 bopd on a 30/64 inch (12mm) choke at a flowing tubing head pressure of 131 psi. The well is also producing back small amounts (<4% by volume) of the completion fluid used during the recent workover operations. Although these results are preliminary, and the water cut can be expected to increase over time, they compare very favourably with pre-workover production rates of ~500 bopd with 35% water cut on similar choke settings.

Cumulative oil production from the Ungani 2 well since the workover is currently in excess of 2,400 bbls. The well has now been shut in for a pressure buildup, and the Ungani 1 well will be produced on cleanup flow over the next week.

#### **Oil production and shipment**

A further milestone has been achieved with the commissioning of the crude export system, with the first 700 bbl tanker load of crude oil leaving the Ungani facility on 11 December and being unloaded into the storage tanks at the Wyndham Port facility on 12 December. As production is ramped up from both wells, additional trucking capacity will be brought on line with the objective of increasing production to the planned rate for this phase of the project of 1,500 bopd.



Road tanker leaving Ungani



Offloading at Wyndham storage facility

### **Rig mobilisation**

The Crusader 405 rig move is expected to commence this weekend from the Whicher Range location in the southwest of Western Australia following the completion of operations at that location for another operator. The rig move is expected to take approximately three weeks with the spud of the Ungani 3 well planned for shortly after Christmas. Pre-stocking of the location to ensure uninterrupted wet season operations has been largely completed.

### **For inquiries please contact:**

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### **About Buru**

Buru Energy Limited (ASX Code BRU, ASX 200) is a Western Australian oil and gas exploration and production company headquartered in Perth with an operational office in Broome. The Company's petroleum assets and tenements are located onshore in the Canning Basin in the southwest Kimberley region of Western Australia. Its flagship high quality conventional Ungani Oilfield project is owned in 50/50 joint venture with Mitsubishi Corporation. As well as Ungani, the Company's portfolio includes potentially world class unconventional gas and oil resources.

The company's goal is to deliver material benefits to its shareholders, the State of Western Australia, the Traditional Owners of the areas in which it operates, and the Kimberley community, by successfully exploring for and developing the petroleum resources of the Canning Basin.