

## Buru Energy Operations Update

Buru Energy Limited (Buru Energy) is pleased to provide the following update on the Company's operations.

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### Summary

- DDH1 Rig 31 commences operations on the Ungani North 1 well
- Ungani 1ST1 workover test results continue to be very positive
- Jackaroo 3D seismic program making excellent progress

### DDH1 Rig 31 commences operations on Ungani North 1

All regulatory requirements of the WA Department of Mines and Petroleum Resources Safety branch for the use of the DHH1 drilling rig on the Ungani North 1 well have now been fulfilled and operations on the Ungani North 1 well with DDH1 Rig 31 commenced at 22:30 hours on 6 November 2014 (AWST).

The first stage of the production test of the well involves conditioning the fluid in the well and running a testing tubing completion string. It is anticipated that the completion operations will take about five days and the rig will then be moved to the Commodore 1 well. Once the rig is demobilised from site, the interpreted oil zone in the Ungani Dolomite will be perforated and flow tested.

The Ungani North 1 well is located some six kilometres north of the Ungani Production Facility. Buru Energy and Mitsubishi Corporation (MC) each have a 50% interest in this well and in EP391, with MC and Buru Energy each contributing 50% of the cost of the test.

Ungani North 1 was the first well drilled to follow up the Ungani oil discovery, and encountered what is interpreted to be an oil column of approximately 46 metres at the top of a much thicker dolomite reservoir section than is present at Ungani. The reservoir in Ungani North 1 is interpreted to have less well developed vugular porosity than in the reservoir in Ungani 1 and 2, and has some similarities to that encountered in Ungani 3 which recovered oil when it was swabbed on production test.

### Ungani 1ST1 workover

Subsequent to completion of the recent workover, the well has been on production test with continued positive results. The well has now cleaned up and is producing essentially dry oil with very minor amounts of completion fluid. The well has been stabilised to produce at rates of some 900 bopd with total rate from the two wells being some 1,850 bopd which is managed to conform with current trucking capacity of 1,250 bopd. The other encouraging result is that the water cut in Ungani 2 has decreased from ~4% to between 1% and 2% as the production rate in the well has been decreased to accommodate the Ungani 1 ST1 production rate.



*DDH1 Rig 31 on location at Ungani North 1*

## **Jackaroo 3D seismic program**

Acquisition of the Jackaroo 3D seismic program is now approximately 45% complete with field data processing demonstrating high quality data with good definition of structural trends. The Terrex seismic crew is performing extremely well with high daily production rates in hot and dusty conditions.

The survey is located between the existing Yulleroo and Ungani 3D grids and will join the two grids to give seamless 3D coverage from Yulleroo to Ungani. It covers the currently identified Jackaroo conventional oil prospect and a number of other oil prospects along trend.

Visit [www.buruenergy.com](http://www.buruenergy.com) for information on Buru Energy's current and future activities.

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## **About Buru Energy**

Buru Energy Limited (ASX: BRU, S&P/ASX300) 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 tight gas 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 in an environmentally and culturally sensitive manner.