

Written by:

John Miller

[About this content](#)

view [Buru Energy Ltd](#) (ASX:BRU, OTC:BRNGF)

Buru Energy to regain full ownership of producing Ungani Oilfield

Published: 19:58 21 Aug 2023



The next oil lifting scheduled for late August 2023 will be the 22nd from the asset.



[Buru Energy Ltd](#) (ASX:BRU, OTC:BRNGF) will regain full ownership of the Ungani Oilfield in the Canning Basin in Western Australia's north after entering an agreement with Roc Oil to assign its 50% interest in the field to the company.

This agreement covering Production Licences L 20 and L 21, which contain the Ungani Oilfield, provides strategic optionality for Buru for the producing asset from which the next oil lifting is scheduled for late August 2023.

Effective date of September 30

After completing the customary assignment and transfer documentation and receiving statutory government approvals, the agreement with Roc Oil (Canning) Pty Limited (ROC) has an expected effective date of September 30, 2023.

Buru's CEO Thomas Nador said: "ROC has been a supportive Ungani joint venture partner since May 2018 during which time the JV invested prudently to maintain production and delivered 22 oil cargoes to the SE Asian market."

Operations to be suspended

The agreement follows the approval by ROC of a recommendation by Buru, as project operator, to suspend operations at the Ungani Oilfield following the next oil lifting.

This recommendation was made due to the uncertain availability of the temporary river crossing at Fitzroy Crossing during the upcoming wet season in the Kimberley, which extends from November to April.

The previous permanent crossing was washed away during flooding after a cyclone last season in the region with a temporary crossing constructed afterwards enabling the transportation of oil from the oilfield to the port.

ROC to share costs

As part of the agreement, ROC will remain liable for its share of costs associated with the near-term staged suspension of Ungani operations.

This also includes costs associated with the future decommissioning of all wells located within Production Licences L 20 and L 21 and for other specified restoration/remediation costs.

"Although preparations are underway to suspend production from the field following our next oil lifting due to circumstances beyond Buru's control, the company will continue to look for ways to extract maximum value from this asset for the benefit of our shareholders as a 100% owner of the oilfield," Nador added.



[View Price & Profile](#)



2 MIN READ

[< Prev article](#)

[Next article >](#)