



**Buru Energy Limited**  
ABN 71 130 651 437  
Level 2, 88 William Street  
Perth, Western Australia 6000  
Ph: +61 8 9215 1800  
Fax: +61 8 9215 1899  
www.buruenergy.com  
ASX: BRU

# ASX Announcement

15 October 2013

## Operations Update

Buru Energy Limited provides the following update on the Company's operations.

### Highlights

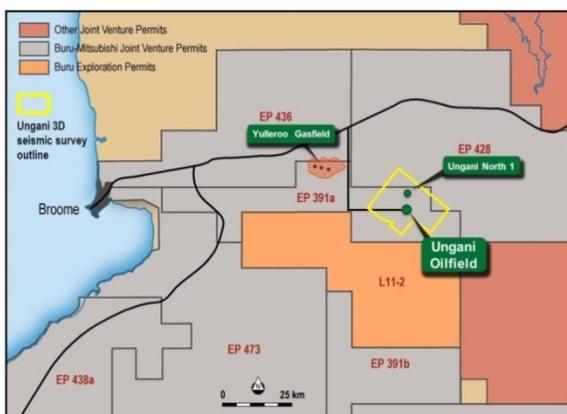
- Ungani 3D seismic acquisition progressing as planned with good to excellent field data quality reported
- Well workover on Ungani 2 completed and Ungani 1 workover has commenced
- Production start-up preparations at Ungani Field progressing with field works underway
- Site works for oil export through the Port of Wyndham are in progress with long term export options under review

### Ungani 3D seismic program

Data Acquisition for the Ungani 3D seismic program recommenced on 6 September 2013 after completion of line clearing operations. The completed survey size is planned to be some 243 km<sup>2</sup> and as of today, the survey is some ~80% complete with full acquisition of the survey expected to be completed shortly.

At the conclusion of the survey the crew will commence acquisition of the Frome Rocks 2D survey which is targeting Ungani "look alike" structures for the 2014 exploration drilling program.

Daily reports from the field indicate that the data quality is good to excellent. Processing of the data has commenced with the aim of having an initial data cube over the Ungani Field in late November to confirm the target bottom hole location of the Ungani 3 appraisal well.



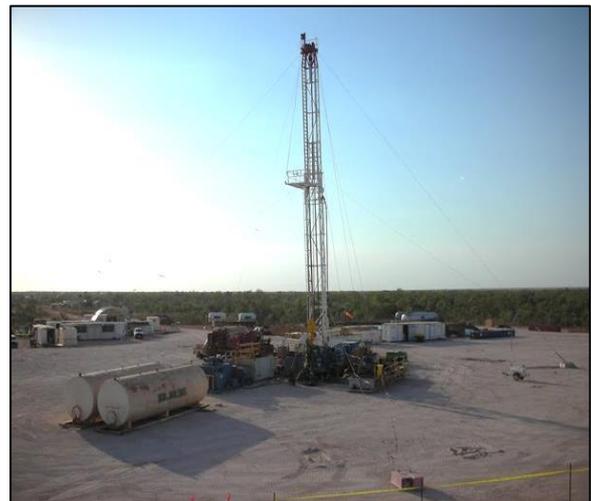
Location of Ungani 3D survey



Ungani 3D seismic acquisition

### Ungani Well Workovers

The Enerdrill workover rig, which is being used to prepare the Ungani 1 and 2 wells for commencing the extended production test, has been mobilised to the field. The workover of the Ungani 2 well has been completed with a cement plug successfully installed to isolate the bottom water in the well, and the workover on the Ungani 1 well has commenced. The modifications to the wells are aimed at providing a better understanding of the full production potential of the reservoir, and to also provide water recycle capability. The workovers are an integral part of the process to improve understanding of the field performance and support plans to build up to target production rates.



*Enerdrill workover rig on location at Ungani*

The Ungani 1 workover, which is currently underway, is designed to allow both oil production from the oil zone in the upper part of the well, and the facility for water disposal into the deeper part of the reservoir which is below the oil zone and where the water associated with the oil production has been produced from. This is an environmentally and operationally attractive solution which combines disposal of produced water with testing of the injection performance of the reservoir water zone.

### Ungani Facility Preparation

The preparations for the restart of production through an extended production test of Ungani 1 & 2 are proceeding as planned. The work primarily consists of installation of water handling facilities, additional oil storage tanks, and the upgrading of control and monitoring systems. An extensive training program and skills enhancement program has also been undertaken with Buru’s operators and supervisors to ensure readiness to operate.



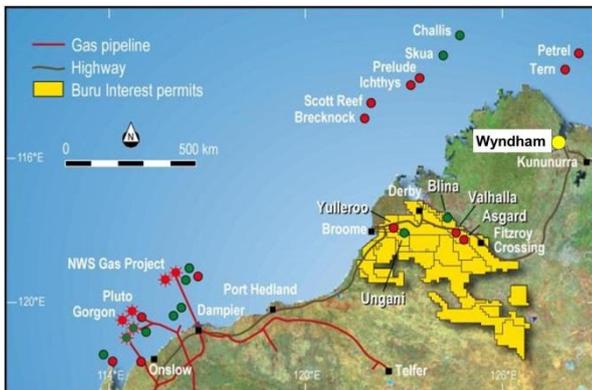
*Ungani Field facility activity*

### Oil Export Facility

Construction works have recently commenced for the export of Ungani oil through the Port of Wyndham as part of Phase 1 of the Ungani development. This work is being undertaken in co-operation with Cambridge Gulf Limited, the owner and operator of the Wyndham Port tank farm.

Wyndham has existing tankage and berth space for Ungani operations and the facility requires only relatively minor modifications to accept and export Ungani crude. Wyndham provides an excellent initial export solution while a long term higher capacity solution is put in place.

Ungani crude oil will be transported by road tanker from Ungani to Wyndham using trucks with a capacity of approximately 700 barrels per truck.



Location of Wyndham Port



Wyndham storage tanks

### Huisman Drilling Rig (Crusader 405)

The Crusader 405 rig is currently finalising commissioning trials prior to its mobilisation to its first operation in the southwest of Western Australia for another operator. Subject to final clearances and approvals, the rig will then drill the Ungani 3 well once the 3D seismic data initial cube has been interpreted and a bottom hole location for the well is agreed by the Joint Venture.

Planning has commenced to support the drilling program during the wet season, in similar fashion to the drilling programs during the 2011 and 2012 wet seasons where the locations were pre-stocked with the necessary equipment to support the program and minimise heavy equipment movements.

### Corporate Update

Buru's AGM will be held at the Perth Exhibition and Convention Centre, Meeting Room 8, 21 Mounts Bay Road, Perth on Tuesday, 12 November 2013 commencing at 10.30am (Perth time).

The notice of meeting and proxy form is available at [www.buruenergy.com](http://www.buruenergy.com) or [click here](#). The Company has also released its annual report and a copy of the report can be found at [www.buruenergy.com](http://www.buruenergy.com) or [click here](#).

Shareholders are encouraged to attend.

### For inquiries please contact:

Keiran Wulff      Managing Director  
 Telephone:      +61 8 9215 1800  
 Freecall:         1800 337 330  
 Email:            info@buruenergy.com

## **Competent Persons Statement**

Information in this release related to exploration and production results and petroleum resources is based on information compiled by Eric Streitberg who is an employee of Buru Energy Limited. Mr Streitberg is a Fellow of the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors, and a member and Certified Petroleum Geologist of the American Association of Petroleum Geologists. He has over 38 years of relevant experience. Mr Streitberg consents to the inclusion of the information in this report

## **About Buru**

Buru Energy Limited (ASX Code BRU, ASX 200) is a Western Australian oil and gas exploration and production company. The Company's petroleum assets and tenements are located onshore in the Canning Basin in the southwest Kimberley region of Western Australia. In joint venture with its international partner, Mitsubishi Corporation, the Company explores for, develops and produces oil and gas. Its assets include the flagship high quality conventional Ungani Oilfield project which is currently under development, and potentially world class unconventional gas and oil resources.

The Company is headquartered in Perth with an operational office in Broome. Its 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.