

# Buru receives additional WA oil and gas exploration permits



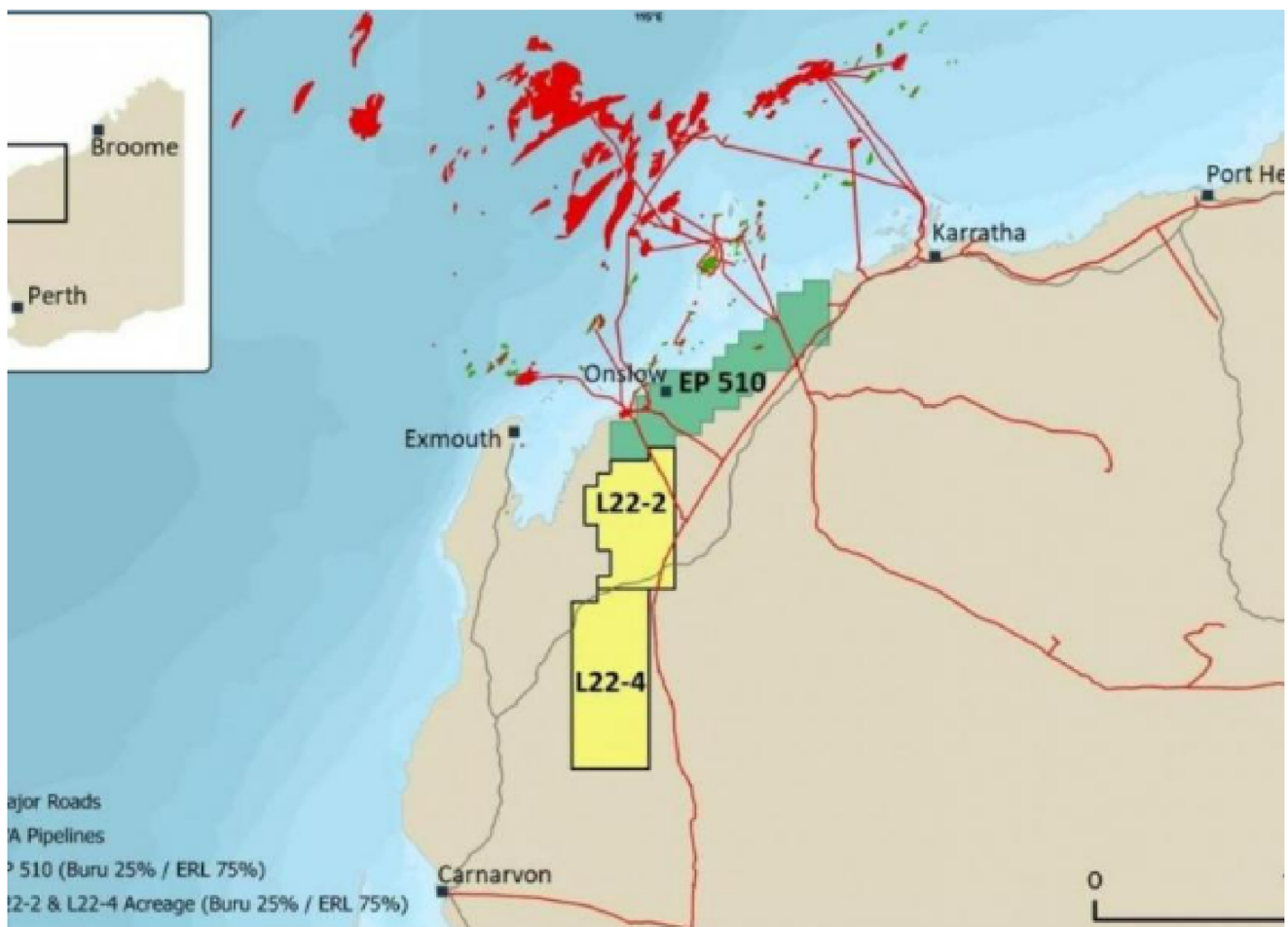
By Matt Birney 20 HOURS AGO

BULLS N' BEARS

ANNOUNCEMENTS



Perth-based Buru Energy has received a shot in the arm with the granting of two additional exploration permits regarded as highly prospective for petroleum in WA's onshore Carnarvon Basin. The permits will be licensed to a joint venture of Buru and a Mineral Resources' subsidiary, EnRes and lie south of the Pilbara coastal town of Onslow.



The grant of the new exploration permits extends Buru's operational areas in the onshore Carnarvon Basin. Credit: File

Perth-based oil and gas producer [Buru Energy](#) has received a shot in the arm with the granting of two additional exploration permits regarded as highly prospective for petroleum in WA's onshore Carnarvon Basin..

The L22-2 and L22-4 exploration areas, in the onshore Northern Carnarvon Basin and the Merlinleigh Sub-basin, have been granted to a joint venture of Buru (25 per cent) and its partner, EnRes (the operator and 75 per cent) – a wholly owned subsidiary of Tier 1 resources player [Mineral Resources](#).

The areas were part of the recent WA Government Petroleum Acreage Release 2 of 2022. They lie south of the Pilbara coastal town of Onslow and immediately to the south of exploration permit EP 510 that Buru and EnRes were granted in July 2020.

Grant of the two new permits is subject to completion of Native Title agreements.

Buru Energy CEO Thomas Nador said: *“These areas substantially advance Buru’s strategy to leverage our considerable inhouse geoscience expertise to grow our exposure to future onshore energy developments. The recent activity in the Perth Basin both geologically and corporately illustrates the major impact that gas discoveries can have, particularly in these underexplored basins close to infrastructure.”*

*“We are very pleased that our strong relationship with EnRes has resulted in a 100 per cent success rate with our joint exploration permit applications.”*

Buru’s long-term strategy is to leverage its proprietary knowledge of the Palaeozoic petroleum systems of the Canning Basin to expand into underexplored and prospective onshore petroleum acreage outside the Canning Basin. The granting of these two latest permits contributes directly towards this strategy.

The offshore part of the Carnarvon Basin covers approximately 535,000 sq km and since exploration began in 1953 has been regarded as Australia’s premier hydrocarbon province. Geoscience Australia calculates it has produced some 207 billion cubic metres, or “BCM” of gas with the remaining known reserves calculated at around 604 BCM.

The onshore part of the Carnarvon Basin covers about 115,000 sq km.

The Merlinleigh Sub-basin, within the Carnarvon Basin, is largely unexplored. However, geochemical data has shown the potential to contain high-quality gas-prone source rocks.

Significantly, the addition of the two areas makes the Buru-EnRes JV the largest acreage holder in the onshore Carnarvon Basin and Merlinleigh Sub-basin and Buru says it will further facilitate optimisation of its exploration activities in the region.

Area L22-2 spans 4,908 sq km and contains the southern extension of the petroleum plays in EP 510. Buru says that regional analysis demonstrates the area is prospective for both oil and gas in a variety of play types.

Area L22-4 covers 6,444 sq km and is immediately to the south of L22-2 overlying the northern extend of the Merlinleigh Sub-basin.

The Buru/EnRes JV is planning to drill two exploration wells on EP 510 next year. The block is near established oil and gas infrastructure including the Tubridgi gas storage field and the Wheatstone LNG gas processing plant.

Buru also suggested the proximity of the Dampier to Bunbury Natural Gas Pipeline, immediately east of the areas, will greatly facilitate the accelerated development of gas discoveries.

The current geopolitical earthquake in Europe and its impact on gas supplies and prices, coupled with the global shift to lower emission energy production is sharpening attention on gas as a so-called “transition” resource to green power supplies.

AEMO Executive General Manager, WA and Strategy, Kate Ryan, said: "The forecast shortfalls are being driven by changes in production and increased demand, including for gas-powered generation and new resource projects."

Between 2023 to 2026, the WA gas supply-demand balance is tight, with a small deficit of 45 petajoules projected over the four years.

Buru's core activity to date has been in WA's Canning Basin in the south west Kimberley region, where it is an active explorer. The company has made a significant gas discovery recently that it is actively seeking to commercialise and already produces oil from its Ungani oilfield, east of Broome.

Given the ongoing disruptions in global energy supplies, the addition of two, highly prospective oil and gas exploration permits in the Carnarvon Basin is a promising start for Buru into the new year and the market will be keenly watching for the next steps of its JV with MinRes.