

## Ungani 6 Development Well Spuds

Buru Energy Limited (Buru Energy) is pleased to advise that the Ungani 6 development well was spudded at 04:40 hours on Saturday the 4th of May 2019.

The Ungani 6 well surface location is located on Production License L20 some 160 metres to the north of the Ungani 1 and 2 wellheads and immediately adjacent to the Ungani Production Facility. Buru Energy and Roc Oil (Canning) Pty Ltd each have a 50% equity interest in the well and in L20.

The Ungani 6 well is being drilled by the NGD 405 rig as a deviated well to a total measured depth of ~2,340 metres to initially intersect the Ungani Dolomite reservoir. The well will then be cased and suspended, and the rig released to drill the Ungani 7 well in a similar configuration, after which the rig will be moved to the Yakka Munga 1 exploration well site.

The horizontal underbalanced Ungani Dolomite reservoir sections of both Ungani wells will then be drilled with the Haliburton coil tubing unit. Full details of the drilling operations are included in the attachments. The initial Ungani 6 drilling operations with the NGD 405 rig are expected to take some 20 days.

Prior to the coil tubing drilling (CTD) operations both wells will be tied back to the Ungani Production Facility so that production from the wells will be able to be commenced shortly after CTD operations are completed.

The first drilling progress report for the Ungani 6 well is attached. During the course of drilling operations, weekly progress reports will be provided to the ASX and as required upon the occurrence of any material event.

Buru Energy's Executive Chairman, Eric Streitberg said:

*"We are very pleased to be moving from the appraisal to the development phase of the Ungani Oilfield. The experience gained from the drilling and production of the existing vertical wells has allowed us to design the Ungani 6 and the following Ungani 7 well to maximise the production rate and oil recovery from the new wells. Underbalanced horizontal drilling is routine practice in the development of similar fields and we are very pleased we have been able to source the equipment and expertise needed to undertake this operation.*

*We look forward to a successful outcome with the initial Ungani development well program and our subsequent high impact exploration drilling campaign in the remainder of 2019."*

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

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### **Qualified Petroleum Resources Evaluator Statement**

Except where otherwise noted, 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 40 years of relevant experience. Mr Streitberg consents to the inclusion of the information in this document.

## Initial Well Operations Report – Ungani 6

<b>Permit</b>	The Ungani 6 well is located in Production License L20 in the Canning Basin of northwestern Australia, 97 kms east of Broome. The surface location is some 160 metres north of the Ungani 1ST1 well and immediately adjacent to the Ungani Production Facility.
<b>Well Surface Location</b>	Latitude: 17° 59' 20.4"S      Northing: 8,011,024 mN Longitude: 123° 09' 50.7"E      Easting: 517,373 mE
<b>Buru Energy's Interest</b>	Buru Energy Limited holds 50% interest in the well and L20 and is the operator.
<b>Date of Progress Report</b>	6 May 2019 (AWST)
<b>Proposed Total Depth</b>	+/- 2,340 metres MDRT (~2,140 metres TVD)
<b>Current Depth</b>	420 metres
<b>Commencement Date</b>	4 May 2019
<b>Days Since Commencement</b>	2 days
<b>Target Formation</b>	The well is a horizontal development well in the Ungani Dolomite reservoir of the Ungani Oilfield.
<b>Operations Since Last Progress Report</b>	The well has been drilled ahead in 9 5/8 inch (244mm) hole to current depth of 420 metres. The current operation is drilling ahead to section TD of ~960 metres.
<b>Hydrocarbons Indications</b>	None – None expected.
<b>Forward Operations</b>	The surface casing string will be set at ~960 m. The surface section is being drilled using a "drilling with casing" system which provides an efficient method of installing surface casing. The hole size is 9 5/8 inches (244 mm) with a 7 5/8 inch (194 mm) casing drilling string.

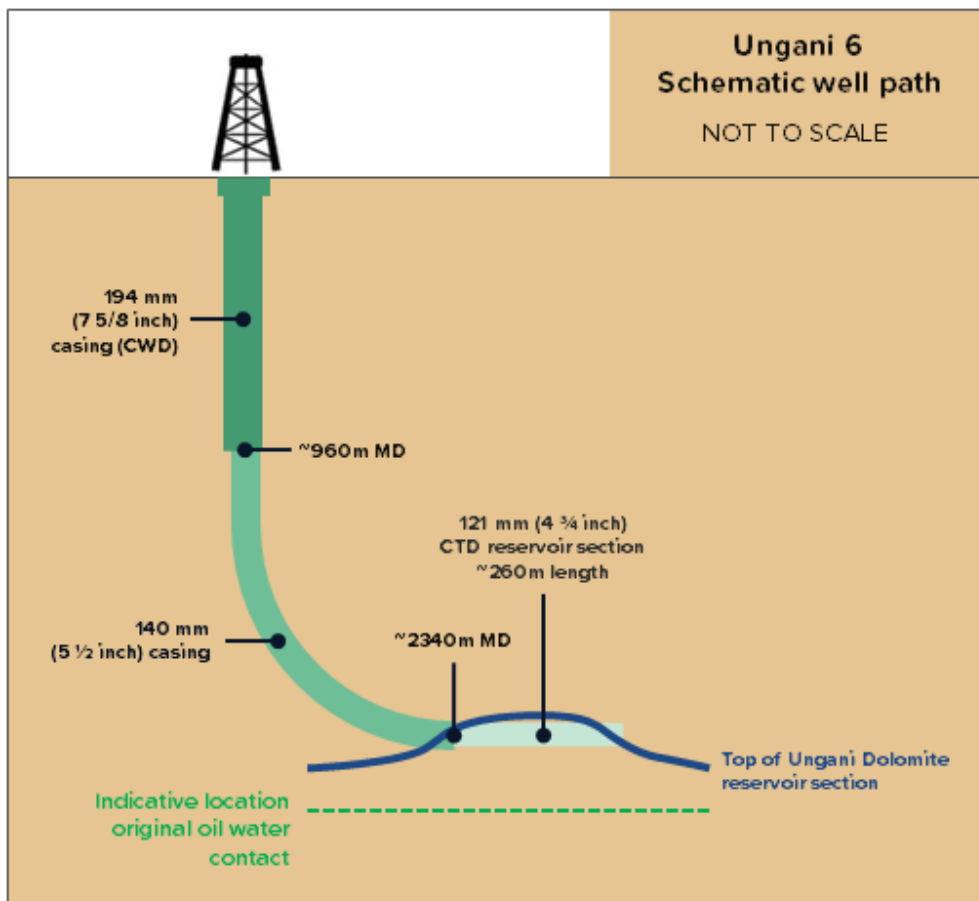
## Ungani 6 Well

### Well construction

The Ungani 6 well will be drilled as a deviated well to intersect the Ungani reservoir at a hole angle of ~76 degrees in 171 mm (6 3/4 inch) hole. The 244 mm (9 5/8 inch) surface hole will be drilled to ~960 metres using a "drilling with casing" (DWC) system with 194 mm (7 5/8 inch) casing. This system was successfully used on the Ungani West 1 well. After drilling the deviated section in 171 mm (6 3/4 inch) hole, 140 mm (5 1/2 inch) casing will be run and cemented and the rig released to drill the Ungani 7 well in a similar configuration.

The coil tubing drilling unit (CTD) will be mobilised at the completion of the Ungani 6 and Ungani 7 drilling operations with the NGD 405 rig. The CTD unit will then drill the planned ~260 metre section of underbalanced 121 mm (4 3/4 inch) section through the Ungani 6 reservoir, followed by the Ungani 7 horizontal section. The Ungani 6 reservoir section will not be cased but will be produced from the open hole. The following diagram illustrates the well configuration.

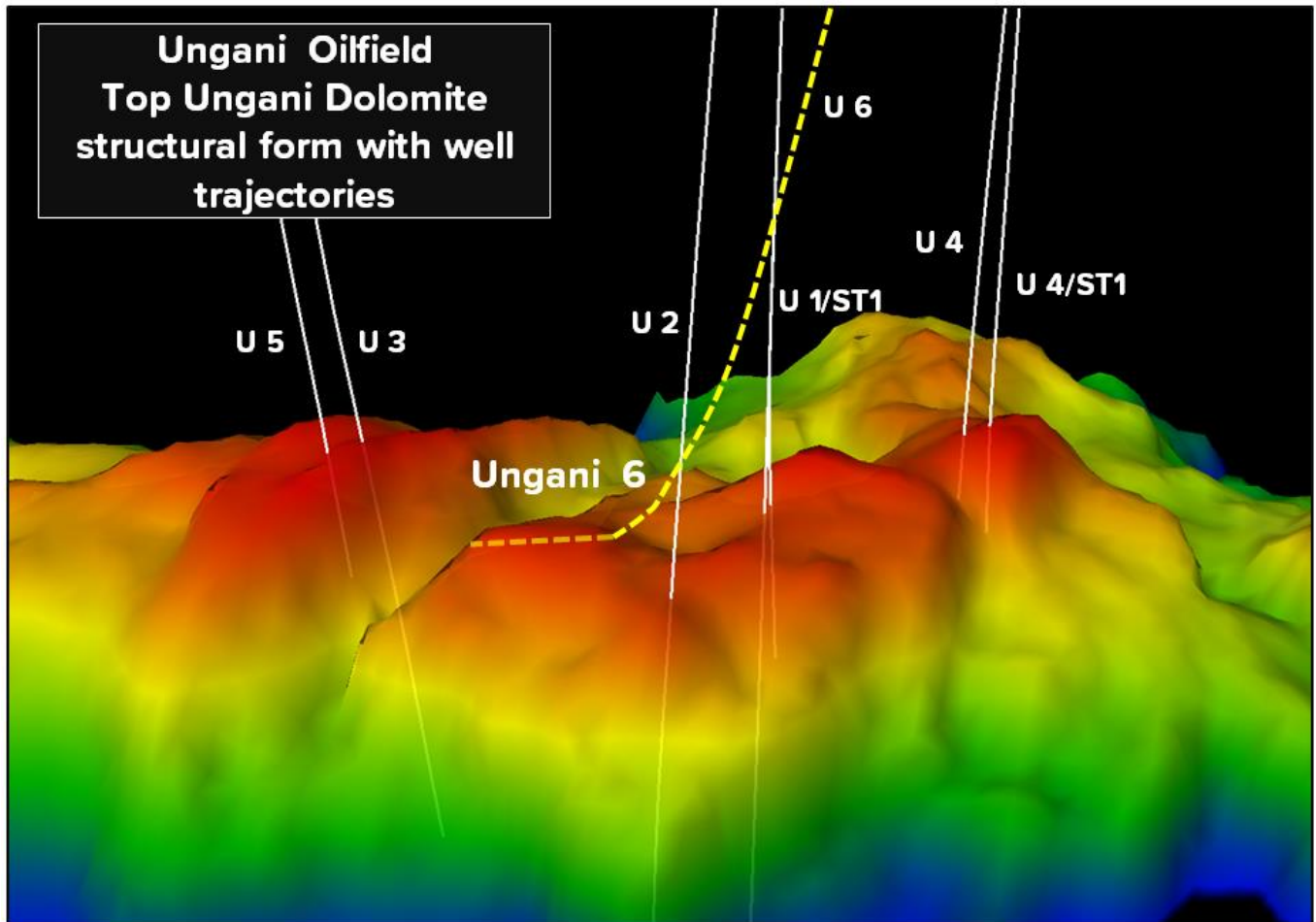
Further details of the CTD operation will be provided when the unit is mobilised after the completion of both the Ungani 6 and Ungani 7 drill and suspend operations. The CTD unit will then drill the reservoir sections back to back while the NGD 405 rig undertakes the Yakka Munga 1 well operations.



*Ungani 6 schematic well path*

## Well location

The surface location of the Ungani 6 well is some 160 metres to the north of the Ungani 1 and 2 wellheads and immediately adjacent to the Ungani Production Facility. The planned point of intersection of the Ungani reservoir is some 430 metres to the northeast of the surface location and the planned length of the horizontal section is some 260 metres. The directional drilling capability of the CTD unit provides flexibility to steer the hole to different locations and to drill multiple laterals if required.



*Ungani area well locations*





*Ungani Production Facility and NGD 405 rig at Ungani 6 location*



*NGD 405 rig at Ungani 6 location*