

Buru Energy Ltd

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Buru Energy encounters early hydrocarbon shows above main reservoir target in Rafael 1 well

Buru Energy Ltd (ASX:BRU) is encouraged by progress of drilling at the Rafael 1 exploration well onshore Canning Basin in northwest Western Australia with elevated mudgas indications in the Anderson Sandstone overlying the prognosed main reservoir objective.

As planned, the casing has been set below this sandstone and above the interpreted main reservoir objective section which will be penetrated in the next hole section below the casing.

Rafael 1 drilling progress

Rafael 1 has been drilled ahead in 12¼ inch (311 mm) hole to the planned section depth of 3,500 metres, above the anticipated main reservoir objective section, and wireline logging has been completed to that section depth.

Current operations are proceeding as planned to complete the running and cementing of the 9? inch (244 mm) casing. The well will then be drilled ahead in 8½ inch (216 mm) hole through the prognosed principal reservoir objective to a planned final total depth of some 4,000 metres.

Drilling operations have been consistent with no significant rig related downtime, but the rate of penetration has been slow due to hard and abrasive sandstones in the thicker than expected Anderson Sandstone Formation. It is expected that drilling rates from this point will increase in the smaller hole size and different formations.

Hydrocarbon indications

The basal section of the Anderson Sandstone had elevated mudgas indications of some 10 times over background (average 2% and up to 4%), over the gross interval from 3,285 metres to 3,429 metres drill depth, however, wireline logging has confirmed that the section of the Anderson Sandstone with shows is generally tight.

The top of the interval with gas shows is generally coincident with the highest level of closure on the structure above the main objective, so despite not having producible reservoir in this upper zone, this is a positive indication that the structural closure is present as mapped and is capable of trapping hydrocarbons.

Rafael 1 well is in Exploration Permit EP 428 in the Canning Basin in northwest Western Australia, 50 kilometres to the east of the Ungani Oilfield. Equity in the permit and the well is held 50% each by Buru Energy and Origin Energy Ltd (ASX:ORG).

Hydrogen also detected

The specialised hydrogen mudgas detection unit on the rig also detected up to 4.9% hydrogen over small intervals

Price: 0.135

Market Cap: \$72.69 m

1 Year Share Price Graph



Share Information

Code: BRU

Listing: ASX

52 week High Low
0.225 0.086

Sector: Oil & Gas

Website: www.buruenergy.com

Company Synopsis:

Buru Energy Ltd (ASX:BRU) is an oil and gas exploration and production company focused on exploring and developing petroleum resources of the Canning Basin in the southwest of Western Australia's Kimberley region. The company has a 50% operating interest in the currently producing Ungani Oilfield and holds interests in an extensive portfolio of petroleum exploration permits covering about 5.

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shallower in the well, and in the zone with mudgas hydrocarbon shows it detected hydrogen up to 2%. It also detected helium at low concentrations but significantly above background.

The significance of these hydrogen indications needs to be further evaluated, but together with a number of legacy wells that encountered hydrogen, they demonstrate the widespread occurrence of natural hydrogen in the Canning Basin.

"Unexpected but welcome"

Buru Energy executive chairman Eric Streitberg said: "The somewhat unexpected but very welcome presence of hydrocarbon shows with additional indications of above background helium and hydrogen content in the sandstones above the expected main reservoir section indicates that there is an active petroleum system and valid trapping mechanism at the Rafael location.

"We are very much looking forward to the next hole section where we will be drilling through the main objective of the seismically very distinctive carbonate reservoir section."

Investors have also responded positively with shares 8.33% higher to 13 cents.

2021 seismic program

Acquisition of the 2021 seismic program of some 990 kilometres has been completed with no significant incidents and good data quality being observed from the field data.

The seismic has been acquired over highly prospective areas of the joint venture's extensive acreage holdings in the Canning Basin and was principally funded by Origin Energy under the terms of the December 2020 farm-in agreement.

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