Recordable Incidents Report
May 2013

In accordance with Regulation 30 of the
Petroleum and Geothermal Energy Resources (Environment) Regulations 2012
Recordable Incidents Report – May 2013

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<thead>
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<th>Company</th>
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1.0 INTRODUCTION

Buru Energy Limited (Company) is an Australian ASX listed company engaged in oil and gas exploration in the Kimberley region of Western Australia in an area known in geological terms as the Canning Superbasin. The Company is committed to minimising the environmental impact of its operations and plans all of its activities to ensure that they are undertaken in an environmentally sustainable manner. The Company also looks for opportunities to improve its operating practices on a continuous basis.

2.0 PURPOSE AND SCOPE

2.1 Terms of Reference

In accordance with Regulation 30 of the Petroleum and Geothermal Energy Resources (Environment) Regulations (Regulations) a monthly report outlining recordable incidents must be submitted. Specifically, Regulation 30 of the Regulations states the following:

1) The operator of an activity must, for each month, submit a written report of recordable incidents in accordance with this regulation. Penalty: a fine of $5,500

2) It is a defence to a prosecution for an offence against subregulation (1) if the operator has a reasonable excuse.

3) The report must be submitted to the Minister as soon as practicable, and in any case within 15 days, after the end of the month to which it relates.

4) If one or more recordable incidents occurred during the month, the report -
   a) must include a record of each of those recordable incidents; and
   b) must specify -
      i. all material facts and circumstances concerning those recordable incidents that the operator knows or is able, by reasonable search or inquiry, to find out; and
      ii. any action taken to avoid or mitigate any adverse environmental impacts of those recordable incidents; and
      iii. any action taken, or proposed to be taken, to prevent similar recordable incidents.

5) If no recordable incidents occurred during the month, the report under subregulation (1) must include a statement to that effect.

The Activities being undertaken by the Company have been approved under the Petroleum and Geothermal Energy Resources Act 1967. Under the requirements of the new Regulations, the Company will submit a Recordable Incidents Report (Report) to the Department of Mines and Petroleum (DMP) within 15 days of the end of the month.

2.2 Scope and Objectives

This Report covers the recordable incidents from the Company’s Activities in May 2013. The objectives of this monthly report are to provide:

• An overview of the Activities undertaken in May 2013 to provide context for recordable incidents; and
• A record of all recordable environmental incidents that occurred during the month including the circumstances concerning the incident, action taken to avoid or mitigate any adverse environmental impacts of the recordable incident, and corrective actions that have been taken or proposed to be taken to prevent similar incidents in the future.
3.0 ACTIVITIES UNDERTAKEN

3.1 Operation
The Blina Oilfield facility remained shut-down for the month of May 2013.

3.2 Production Testing
The Ungani Field remained shut-down for the month of May 2013. Slick-line work to retrieve gauges and install a back pressure valve was undertaken over a period of several days during May 2013.

3.3 Exploration Drilling
No exploration drilling activity was undertaken during May 2013.

3.4 Seismic Surveys
No seismic survey activity was undertaken during May 2013.

4.0 ENVIRONMENTAL INCIDENTS

4.1 Reportable Incident
There were no reportable environmental incidents during May 2013.

4.2 Recordable Incident
There was one recordable environmental incident during May 2013. This is summarised in Table 2.

4.3 Complaint
A complaint was made to the DMP by the Department of Environment and Conservation (DEC) on the 9 April 2013 in regards to the Yulleroo well sites. The action items that were identified by DEC are shown in Table 1 below. Investigation into these action items and communication between the Company and the DMP has been conducted in order to close out this complaint.

Table 1: DEC Action Items

<table>
<thead>
<tr>
<th>DEC Action Items</th>
<th>Buru Investigation Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evidence of a spill at the drilling materials placement area at Yulleroo 4</td>
<td>Results of the drilling materials placement area leachate well sampling was emailed to the DMP on 24 April 2013. As stated in the email, the results indicated that there were no contaminants of potential concern and that the material complies with the classification of Class 1 (Inert Landfill) under the DEC Guidelines.</td>
</tr>
<tr>
<td>Strong smell of hydrocarbons coming from the drilling materials placement area at Yulleroo 4</td>
<td>The odour detected is most likely to be hydrogen sulphide which is a by-product of the decomposition of organic material contained within the drilling mud.</td>
</tr>
<tr>
<td>Ropes placed in Turkeys Nest may not provide suitable egress for all fauna</td>
<td>In the Company's experience the entrapment of fauna in Turkeys Nests is a very low risk. At this stage no further mitigation measures are deemed necessary by the Company.</td>
</tr>
<tr>
<td>Turkeys Nests at old well sites were still full and had significant algal growth.</td>
<td>The Turkeys Nests are kept full, mostly by rainfall, to prevent the liners from deteriorating in the sun. The natural algal growth in the Turkeys Nest does not pose an environmental risk. At this stage no further mitigation measures are deemed necessary by the Company.</td>
</tr>
<tr>
<td>Hissing sound from the Yulleroo 2 well head</td>
<td>The hissing was identified as coming from the grease nipple on the non-return valve connected to the annulus pressure gauge. This was leaking as grease had hardened in the seat of the grease nipple releasing a small amount of gas. Both grease nipples were replaced.</td>
</tr>
</tbody>
</table>
Table 2: Recordable incidents for May 2013.

<table>
<thead>
<tr>
<th>Date</th>
<th>Recordable Incident</th>
<th>Performance Objective or Standard breached</th>
<th>Immediate Action Taken</th>
<th>Contributing Factors</th>
<th>Corrective Action</th>
</tr>
</thead>
</table>
| 13/05/2013 | During a routine site inspection around the Sundown 1 well head, it was noticed that the annulus valve had been opened or not shut correctly and as a result, approximately 40L of oily water spilt on the ground. | Unplanned release of hydrocarbons. | The annulus valve was shut and a plug was installed in the valve to prevent any further spills. The oily water was recovered from the ground and transferred into the existing skimming pond. | • Investigation into the incident revealed that the local station owner had been mustering cattle in the compound. The ground around the well had cattle dung and hoof prints and it appeared that the cattle have been rubbing against the well head which resulted in the valve being cracked open. | • The contaminated soil has been removed using a mini-excavator.  
• Develop a register of all wells and flowlines that are part of the oil field and ensure all potential spill outlets are flushed and plugged to prevent any further spills. |
Figure 1: Photo at the Yulleroo 2 well site looking towards the wellhead from within the turkeys nest excavation.
INTRODUCTION

Pursuant to the provisions of Section 118 of the Petroleum and Geothermal Energy Resources Act 1967, Inspectors from the Department of Mines and Petroleum (DMP) conducted an environmental compliance inspection (inspection) of the management of the Yulleroo 1, 2, 3 and 4 well sites on 13 April 2016 (field based) and 4 May 2016 (office based).

At the time of the inspection the wells were suspended or plugged and abandoned. Buru Energy Limited (Buru) was the nominated operator responsible for the overall management and operation of the well sites.

The inspection was undertaken at the location of the Yulleroo well sites within Exploration Permit EP 391. The field based inspection was followed by an office based component to review Buru systems and records.

The inspection focussed on evaluating environmental management of the well sites, in particular, the level of compliance to environmental management commitments in the Canning Basin Well Care and Maintenance Environment Plan\(^1\) approved by DMP in accordance with the Petroleum and Geothermal Energy Resources (Environment) Regulations 2012 (the Regulations).

This report provides findings on environmental aspects observed by DMP Inspectors during the inspection.

PURPOSE AND SCOPE

The purpose of the inspection was to assess the management of environmental aspects, risks and potential environmental impacts associated with the activity.

Specifically, the inspection sought to:

- Determine the level of compliance of the activity to the Environment Plan approved by DMP;
- Determine whether the activity was being carried out in accordance with the principles of ecologically sustainable development;
- Assess whether the risks and potential environmental impacts were being managed to as low as reasonably practicable (ALARP) and acceptable levels; and
- Review the overall environmental performance of the activity and identify any opportunities for improving environmental management.

In particular, the inspection focused on the following areas:

- Site maintenance and general housekeeping;
- Environmental monitoring and rehabilitation;
- Recording and reporting of environmental incidents;
- Flora and fauna management;
- Soil and landform management; and
- Stakeholder consultation.

\(^1\) HSE-PLN-033, Revision 2, dated 08/07/2015, approved by DMP on 10 July 2015
METHODOLOGY

The inspection process comprised:
- Site induction and safety protocols;
- Entry discussion regarding inspection scope and process with Buru personnel;
- Inspection of the Yulleroo 1, 2, 3 and 4 well sites on 13 April 2016;
- Discussions with relevant personnel;
- Review of procedures, records and reports on 4 May 2016; and
- Exit discussion to present and discuss preliminary inspection findings with Buru personnel.

The inspection followed the itinerary outlined in Appendix 1.
Documents sighted/reviewed during the inspection are listed in Appendix 2.

INSPECTION FINDINGS

Whilst it was positive to see that rehabilitation of drilling sumps and flare pits has been initiated at the well sites, DMP Inspectors identified five (5) findings relating to environmental management that require action as detailed in the sections below. Three (3) corrective actions and two (2) recommendations have been identified associated with these findings.

One (1) request for further information is also documented in this report. Requests for further information are made where DMP Inspectors were unable to verify and/or require further evidence of conformance/non-conformance in relation to environmental aspects observed during the course of the inspection.

Buru is required to submit a report to DMP by 13 June 2016, providing evidence of close-out of all actions detailed below, or substantial progress and scheduled completion dates for any actions not yet closed out.

Buru is reminded of its obligations as an operator in Western Australian State jurisdiction to ensure that all petroleum activities are carried out in a manner that is consistent with the principles of ecologically sustainable development and at all times in accordance with the requirements of the Regulations. Failure to do so may result in enforcement action including the issuance of a Direction, withdrawal of currently approved Environment Plans, and/or prosecution for non-compliance with the Regulations.
Soil and Landform Management

Finding #1

DMP Inspectors observed numerous areas of erosion and gullying at multiple well sites, predominantly around excavated areas (Figures 2 and 3).

The DMP approved Environment Plan states:

- Section 4.3: Well sites will be routinely inspected to ensure integrity of the infrastructure and also ensure potential health and safety, environmental and security hazards are identified by checking the following infrastructure at least six monthly:
  - Well site and earthen infrastructure, such as bunds on sumps and Turkeys Nests, are stable (i.e. no signs of major erosion)
- Section 4.4.2: If routine inspections identify erosion of the well site, camp site, earthen infrastructure or access track then civil works may be undertaken.
- Table 12: Erosion and sedimentation observed during inspections will be maintained as required including:
  - Re-contouring well site, camp site infrastructure or access track to remediate erosion.
- The Environment Plan also contains the following objective in Section 6.2:
  - No soil erosion or sedimentation due to the activities.

DMP reminds Buru that a breach of an objective (such as the erosion objective in Section 6.2) is a recordable incident and should therefore be reported to DMP in accordance with regulatory requirements.

Corrective Action #1

DMP requires Buru remediate erosion affected areas and re-contour the soil surface to match the surrounding landform to reduce the likelihood of reoccurrence.
Finding #2

The sumps and flare pits at each well site had been re-contoured and partially rehabilitated; however DMP Inspectors observed significant mounds of soil that were not consistently contoured into the surrounding landscape. This had resulted in some areas of ponding (Figure 4). DMP Inspectors also observed partially buried plastic liner (Figure 5) throughout the rehabilitated areas.

![Figure 4: Mounds of soil and evidence of ponding in rehabilitated area of the Yulleroo 3 well site.](image1)

Figure 5: Plastic visible throughout the rehabilitated area at the Yulleroo 3 well site

The DMP approved Environment Plan states that:

- Section 4.5.1.2: The cuttings will be buried onsite in accordance with the Company Rehabilitation Operations Procedure (HSE-PRO-025) which includes, but is not limited to:
  - Cuttings facility liner will be removed for disposal at a licensed waste disposal facility.
  - Cuttings facility will be capped with soil, compacted and slightly mounded to prevent ponding.

DMP notes that the remediation of these sumps and flare pits may have been undertaken prior to the approval of the current revision of the Environment Plan; however industry best practice promotes the removal and appropriate disposal of plastic liners.

Corrective Action #2

DMP requires Buru to undertake additional works within the partially rehabilitated areas to conduct further contouring of landforms (consistent with the surrounding areas) and to remove the plastic liner where possible.
Site Maintenance and General Housekeeping

Finding #3

DMP Inspectors observed well cellars at the Yulleroo 2 and 3 well sites that were partially filled with fluid (Figure 6).

The DMP approved Environment Plan states:

- Section 4.3: Any open excavations containing fluids will be inspected monthly during the wet season, when accessible, to ensure adequate freeboard is maintained, minimum of 500 mm, to prevent overflowing.

Recommendation #1
DMP recommends that these cellars be inspected in accordance with the Environment Plan commitment and ensure that adequate freeboard is maintained.

Finding #4

Whilst onsite, DMP Inspectors observed vegetation regrowth around the well site, both inside the fence and along the fire breaks (Figure 7). Buru personnel confirmed that vegetation maintenance was due following the wet season.

The DMP approved Environment Plan states:

- Section 4.3: Well sites will be routinely inspected to ensure integrity of the infrastructure and also ensure potential health and safety, environmental and security hazards are identified by checking the following infrastructure at least six monthly:
  - Vegetation, including weeds, regrowth on the well site and firebreak.

Recommendation #2:
DMP recommends that Buru undertake clearing activities as soon as practical to ensure that the risk of fire is reduced to ALARP.

Figure 6: Fluid in the well cellar at Yulleroo 2.

Figure 7: Vegetation regrowth across the fire break and inside the perimeter fence.
Finding #5

During the course of the inspection, DMP Inspectors visited the Yulleroo 1 well site which is described in Section 3.2.3.4 of the DMP approved Environment Plan as:
- Approximately 1.2 ha cleared, compacted and gravel sheeted well pad.
- Plugged and abandoned well.
- Water production bore.

Request for further information #1
DMP requires Buru to confirm the use of the infrastructure and pipework shown in Figure 8, which is additional to the infrastructure detailed in the DMP approved Environment Plan.

Corrective Action #3
DMP requires Buru to revise the Environment Plan to include all details of the infrastructure at site.

Figure 8: Infrastructure and pipework at the Yulleroo 1 well site.
### Appendix 1: Inspection Itinerary

<table>
<thead>
<tr>
<th>Date</th>
<th>Approx Time</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>13/4/16</td>
<td>0900</td>
<td>Arrived at Buru office in Broome and conducted site inductions and entry discussions (including confirmation of schedule for the inspection).</td>
</tr>
<tr>
<td></td>
<td>0945 - 1105</td>
<td>Departed Broome to undertake the Kurrajong Inspection (see Kurrajong Seismic Survey Inspection Report issued separately).</td>
</tr>
<tr>
<td></td>
<td>1105</td>
<td>Departed the Kurrajong area for the Yulleroo inspection area.</td>
</tr>
<tr>
<td></td>
<td>1135</td>
<td>Arrived at the Yulleroo 2 well site.</td>
</tr>
<tr>
<td></td>
<td>1210</td>
<td>Arrived at the Yulleroo 1 well site.</td>
</tr>
<tr>
<td></td>
<td>1220</td>
<td>Arrived at the Yulleroo 3 well site.</td>
</tr>
<tr>
<td></td>
<td>1240</td>
<td>Arrived at the Yulleroo 4 well site.</td>
</tr>
<tr>
<td></td>
<td>1310</td>
<td>Exit meeting discussions with Buru personnel.</td>
</tr>
<tr>
<td></td>
<td>1320</td>
<td>Site inspection complete.</td>
</tr>
<tr>
<td>4/5/2016</td>
<td>1310</td>
<td>Arrived at Buru Perth office and discussed the scope of the office based inspection (systems and records).</td>
</tr>
<tr>
<td></td>
<td>1320</td>
<td>Reviewed systems and records and conducted interviews with relevant personnel.</td>
</tr>
<tr>
<td></td>
<td>1500</td>
<td>Office inspection complete.</td>
</tr>
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</table>
## Appendix 2: Documents Sighted During the Inspection

<table>
<thead>
<tr>
<th>Document Name</th>
<th>Document No.</th>
<th>Rev No.</th>
<th>Date Issued</th>
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<tbody>
<tr>
<td>Agility – Asset and work order management system</td>
<td>O-OP-PLN-012</td>
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<tr>
<td>Blina Well Management Plan</td>
<td>HSE-FRM-022</td>
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<td></td>
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<tr>
<td>Blina C&amp;M Checklist</td>
<td>HSE-PLN-021</td>
<td>0</td>
<td>17/03/2014</td>
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<tr>
<td>Buru Energy - Canning Basin Bilby Management Plan</td>
<td>HSE-PLN-021</td>
<td>2</td>
<td>06/05/2016</td>
</tr>
<tr>
<td>CGR System – Risk assessment tool also used for incident and action tracking</td>
<td>Intranet System</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communications and Consultation Register</td>
<td>Excel</td>
<td></td>
<td>2016</td>
</tr>
<tr>
<td>Operations Action Tracker</td>
<td>3-OP-REG-038</td>
<td></td>
<td></td>
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<tr>
<td>Well Integrity Checks and Testing Instructions</td>
<td>1-OP-WI-011</td>
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<td></td>
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<tr>
<td>Well Integrity Planning Spreadsheet</td>
<td>OP-FRM-020</td>
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<td>Well Integrity Security Field Checklist</td>
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<tr>
<td>Well Site Inspection Checklist</td>
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Petroleum Division

Investigation Factual Report
Leak of gas at Yulleroo-2

Date 11 December 2015
Revision 1

100 Plain Street, East Perth WA 6004
Postal address: Mineral House, 100 Plain Street, East Perth WA 6004
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<th>Signature</th>
<th>Date</th>
</tr>
</thead>
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<td>Principal Petroleum Technologist</td>
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<td>14/12/15</td>
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<td>Manager Critical Risks</td>
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<tr>
<td></td>
<td>Executive Director</td>
<td></td>
<td></td>
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</table>
Summary

On 6 January 2015, the Petroleum Division of the Department of Mines and Petroleum (DMP) was sent questions by the ABC in Broome relating to a possible leak of gas at Yulleroo 3 petroleum well in the Canning Basin. The Yulleroo field is in EP391 Exploration Permit held by Buru Energy. Anti fracking protesters are known to have set up a camp at the turn-off from the Great Northern Highway to the Yulleroo field.

A video recording in ABC possession showed a gas detector next to a well head. Several still images were extracted by the ABC from the recording and sent to DMP. The images show a reflection in the detector screen of an as yet unidentified individual and also show that the stem of the valve adjacent to the gas detector was bent.

Unauthorised operation of electronic equipment within Zone 1 of a gas well (up to 15m from the wellhead) is an act that contravenes every safety standard in connection with petroleum activities. It has well known potential catastrophic consequences and, despite those consequences not eventuating in this instance, constitutes interference with a petroleum operation.

The reported gas leak needed to be confirmed and, if confirmed, needed to be remediated as soon as possible.

Discussion with Buru confirmed that the well was in fact Yulleroo 2. It was also confirmed that Buru did not have knowledge of the video recording and had not authorised it.

DMP, Buru and contractor personnel went to Yulleroo 2 site on 7 January 2015. Besides the perimeter fence around the well lease area there is also a high fence with a locked gate around the Yulleroo-2 cellar and Christmas tree.

It was found that some valves on the Yulleroo 2 Christmas tree were not in a closed position. Gas was not leaking through these valves due to the presence of secondary devices. However when manipulated the C-section annulus valve started leaking gas via the valve stem. The valve stem was bent and appeared to have been struck. This valve was the same valve as depicted in the still images sent to DMP by the ABC.

The conclusion drawn was that the damage to the valve stem was caused by an impact of considerable force.

Using an unauthorised electronic device, whether explosion proof or not, in such close proximity to a gas leak, has potentially catastrophic consequences and constitutes interference with a petroleum operation. It was not known if the gas detector depicted in the images or the device used to record the gas detector was certified for use in a gas hazardous area.

Buru was advised to inform WA police of the incident. WA police conducted their own investigation into trespass at the site.

The damaged valve on the Yulleroo 2 Christmas tree was replaced on 22 January 2015 and transported to the TKM premises in Perth. The valve was disassembled and
examined by Trevor May of TKM on 5 February 2015 in the presence of Buru and DMP personnel.

The stem of the valve was confirmed to be bent with some evidence of an impact observable on the stem. Scarring was evident on the valve gate and on a valve seal. The valve gate and stem were taken into DMP possession and placed into safe temporary storage at Mineral House in East Perth.

On 23 March 2015 the valve body was removed from the TKM premises in Malaga and taken to the Carlisle Core Library where it was locked in a DMP Investigation Branch evidence sea container. At the same time the valve stem and gate were placed in the same locked container.

Although not directly related to the gas leak incident, part of the investigation was directed towards the history of the well and Buru Energy Ltd’s responsibility to protect the well. It was found that a minor leak through a grease nipple had occurred in 2013 and was repaired.

Buru Energy Ltd had been sent a request in July 2013 by the Executive Director, DMP to check the integrity of its petroleum wells. In the case of Yulleroo 2 an integrity check had been conducted in March 2014.

Buru Energy Limited has stated on several occasions that anti-fracking protester activity was inhibiting their access to the site. A further integrity test had not been done by the time of the gas leak incident.

Pressure tests were conducted on 22 January 2015 after the annulus valve was replaced. These tests showed that the repair to the well was effective.
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1 Introduction / preamble

1.1 Initial Report 6 January 2015

A telephone query relating to an apparent gas leak at a well was received on 6 January 2015 from Ms Erin Parke of the ABC in Broome by Ms Conor Doherty of Communications and Marketing in DMP. Ms Parke said she has some queries to put to DMP and Ms Doherty requested that she put them in writing. The queries were sent in an email from Ms Parke to Ms Doherty at 11:06 a.m. 6/1/2015. (Exhibit 1)

The email indicated that the ABC had information that there was an apparent gas leak at petroleum well; footage recorded there in recent days shows a gas detector registering up to 50,000 ppm within a metre of the Yulleroo-3 well.

DMP had communication with Buru Energy in regard to this query. It was determined that the location in question was in fact Yulleroo-2 in EP 391.

The turn-off to the Yulleroo field is approximately 61 km east of Broome along the Great Northern Highway. The Yulleroo wells are a further 15 km along a dirt access road. There is a gate at the turn off and there was present at the turn-off, a camp manned by anti-fracking protestors.


The Yulleroo-2 drilling pad is fenced and signposted, with a further fence with a locked gate installed around the cellar where the wellhead and Christmas tree are located.

DMP personnel Stuart Webster and Shane Daniel flew to Broome on 7 January 2015 and attended the Yulleroo-2 location, accompanied by Buru personnel and a valve specialist from TKM Wellhead Services.

1.2 Applicable legislation – Petroleum and Geothermal Energy Resources Act 1967

The Yulleroo-2 location is in an Exploration Permit (EP 391) and therefore falls within the regulatory scope of the PETROLEUM AND GEOTHERMAL ENERGY RESOURCES ACT 1967.

1.2.1 Petroleum and Geothermal Energy Resources Act 1967

1.2.1.1 Section 117A. Interfering with petroleum operation or geothermal energy operation

1.2.2 Occupational Safety and Health (PGERA 1967) Schedule 1

Division 6 — General

Clause 74 Interference with equipment etc.
1.2.3  Schedule of Onshore Petroleum Exploration and Production Requirements 1991

Clause 635  Protection of completed wells
2 Chronology of the investigation

2.1 Initial report 6 January 2015

A telephone query relating to an apparent gas leak at a well was received on 6 January 2015 from Ms Erin Parke of the ABC in Broome by Ms Conor Doherty of Communications and Marketing in DMP. Ms Parke said she has some queries to put to the DMP and Ms Doherty requested that she put them in writing. The queries were sent in an email from Ms Parke to Ms Doherty at 11:06 a.m. 6/1/2015.

The email indicated that the ABC had information that there was an apparent gas leak at a well; footage recorded there in recent days shows a gas gauge registering 50,000 ppm within a metre of the Yulleroo-3 well.

The questions asked were:

- What is the recommended level of gas?
- Is the department aware of an issue with gas being released from the Yulleroo-3 well?
- Does the department inspect the drilled wells as a matter of course and if so, when was the last inspection?

The query was forwarded via email by Ms Doherty, Communications Officer, Communications and Marketing, to Mr Jeffrey Haworth, Executive Director, Petroleum Division.

2.2 Further action 6 January 2015

Further telephone communication was made between Ms Jean Stewart, Manager of Communication and Marketing, and the ABC, Broome resulting in two still photographs being sent via email by Ms Natalie Jones of the ABC to DMP.

The still photographs were extracted from a video that had been provided to the ABC. The stem of the annulus valve can be seen to be bent in one of the photographs (Figure 1, page 4).

DMP Resource Branch compliance team personnel communicated with Buru Energy, the title holder of EP 391 in which Yulleroo-3 is located, and with DMP Critical Risk personnel to arrange for an immediate site inspection.
2.3 Determination of which well was apparently leaking, 6 January 2015

Copies of the still photographs were forwarded to Buru Energy for comment. Mr Mark Royle, Operations Manager of Buru Energy declared in a telephone conversation with DMP inspector Mr Stuart Webster that the well in the photographs in was fact Yulleroo-2, not Yulleroo-3, as Yulleroo-2 was the only well that had a Christmas tree configuration as depicted in the photographs. This confirmed DMP supposition that the well was not Yulleroo-3, based on the status of the wells in the Yulleroo gasfield.

2.4 Geometry of Yulleroo-2

The well was drilled in 2008 to a depth of 3730 m and was plugged back to 3256 m. The casing design is as follows:

- 340 mm (13-3/8") casing is set at 302 m
- 244 mm (9-5/8") casing is set at 1859 m
- 178 mm (7") liner is set between 1749 m and 3308 m; i.e. there is 110 m overlap inside the 244 mm casing and there is 52 m of cement inside the 178 mm liner between 3308 m and 3256 m.
- 114.3 mm (4.5") P110 casing was run from surface to 2778.8 m with a permanent packer set at 2777.75 m. This casing is not cemented.
- 60.3 mm (2-3/8") tubing was run inside the 114.3 mm casing to 2754.6 m with a packer set at 2746.21 m and a sliding sleeve at 2734.88 m.

In 2010, the well was perforated between 2893 m and 3119 m. The well was hydraulically stimulated and tested. At the end of the test, the well was found not to flow sustainably by itself and was left with brine in the tubing and annulus. The well was still open to the perforations and gas was able to percolate, giving rise to casing and annulus pressure.
A deep set X-plug was set in 5 May 2013 at 2753 m inside the 60.3 mm tubing and the well was inflow tested by reducing the tubing pressure to 2500 psi and seeing if it increased. The inflow test was successful and a Back Pressure Valve (BPV) was installed on 9 May 2013 in the tubing hanger at surface as a further barrier.

The BPV was replaced by a Two Way Check Valve (TWCV) on 22 January 2015 when the C-section annulus valve was replaced.

The barriers preventing flow of gas up the tubing and through the tree at the time of the incident were as shown in Figure 2 (page 6) and Figure 3 (page 7):

- X-plug at 2753 m
- Back Pressure Valve in the tubing hanger at surface
- Lower Master Valve
- Upper Master Valve
- Swab Valve – gives access to the tubing from above (when the Master Valves are open)
- Kill Wing Valve – gives access to the tubing to pump kill fluid from the side of the tree
- Production Wing Valve – gives the conduit to produce gas through the other side of the tree.

The barriers preventing gas flow up the 114.3 mm to 60.3 mm annulus are the packer set 2746 m and the C-section annulus valve, which was suspected of leaking. There is also a plugged needle valve installed outside of the annulus valve.

The barriers preventing gas flow up the 178 mm liner/244 mm casing to the 114.3 mm annulus are the packer at 2777.75 m and the B-section annulus valve.
Figure 2 Yulleroo-2 Christmas tree schematic
Figure 3 Yulleroo-2 wellbore schematic
2.5 Site visit 7 January 2015

2.5.1 At the gate

DMP Inspector Mr Stuart Webster of Petroleum Division Resource Branch and DMP officer Mr Shane Daniel of Critical Risk flew to Broome on the morning of 7 January 2015. Also on the aircraft were Mr Mark Royle of Buru Energy and Mr Trevor May of TKM.

Mr May is the General Manager of TKM, who are the service providers who install wellheads, Christmas trees, test the integrity of valves on Christmas trees and service and repair the valves. They are considered to be technical experts in the matter of wellheads, Christmas trees and valves thereon.

The group met with Broome based Buru Energy staff Mr George Morris, Co-ordinator and Mr Josh Harrison, Production Superintendent. Also attending was Mr Damian Ogburn, Chief Scientist for Buru. It was the wet season in Broome and consequently there was rain all day, varying from a light drizzle to a very heavy downpour.

The group drove in three vehicles along the Great Northern Highway from Broome approximately 61 km to the Yulleroo turn off, about a 1 hour drive from Broome. Personnel from the lead vehicle opened the gate at the turn-off and drove through. Inside the gate was a bush camp set up by protesters against hydraulic fracturing. There was one person in the camp who, on seeing the Buru vehicles about to drive through the gate, moved a 4WD vehicle to partially obstruct the road. This individual then stood in the road beyond his vehicle. The lead Buru vehicle drove level with the protester vehicle and stopped. The second Buru vehicle with Mr Royle and the DMP officers stopped just inside the gate, the third Buru vehicle stopped outside the gate. The lone protester said the vehicles were not allowed to go further. He was told there were some DMP personnel in the vehicles but he still insisted that the vehicles should not proceed. Buru Energy policy is to be non-confrontational so the Buru personnel called the police. While we were waiting for the police, the lone protester walked up and down the line of Buru vehicles talking quite amicably with the occupants and on occasion talking on his mobile phone. The lone protester was identified by Mr Ogburn as Mr Micklo Corpus. The Buru vehicles were fitted with CB radios and it is possible that some of the mobile phone conversation was picked up on the radios. After being stopped for over an hour we heard a snatch of conversation on the CB radio that said a police car was seen going past the Roebuck roadhouse. Mr Corpus was talking on his phone at the time. After finishing his conversation he said we could proceed to the Yulleroo-2 well.

2.5.2 At Yulleroo-2 location

The gate at the entrance to the location was closed but not padlocked. The fence around the location was intact. After opening the gate and parking a safe distance away from the well, a gas reading was taken by a certified gas detector where the vehicles were parked. Zero gas was detected. Readings were taken at points closer and closer to the well until finally right at the well. In each case zero gas was detected.

Mr May of TKM inspected the wellhead and manipulated the valves to determine whether they were open or closed. All valve handles had been removed previously by Buru as a matter of policy so the manipulation was performed using a crescent shifting spanner to rotate the valve stem of the relevant valve.
Figure 4 Annotated image of Yulleroo-2 Christmas tree, 7 January 2015

- Upper Master Valve
- Lower Master Valve
- Suspected leak C-section Annulus Valve
- Swab Valve
- Production and Kill Wing Valves
- B-section Annulus Valve
The valves on the tree are the (Figure 4, page 9):

- Swab Valve (SV);
- Upper Master Valve (UMV);
- Lower Master Valve (LMV);
- Production Wing Valve (PWV);
- Kill Wing Valve (KWV);
- C-section Annulus Valve (suspected leak) also known as the Production Casing Annulus Valve;
- B-section Annulus Valve

It was found that the Swab Valve (SV) was in the open position and both the Upper Master Valve (UMV) and the Lower Master Valve (LMV) were in the closed position. These valves give access to the tubing through which gas is produced. However, had all three valves been in the open position no gas could have escaped because the tubing was fitted with a Back Pressure Valve (BPV) in the tubing adapter spool (below the LMV) and a further deep set plug at 2749 m below surface in the tubing, providing two barriers isolating the gas bearing formation from the surface.

The two-inch (2") Production Casing Annulus Valve on the C-section annulus was manipulated to determine if it was in the closed position. The valve was found to be in an intermediate position, not in a closed position. Upon the valve being manipulated to determine its position, an escape of gas past the valve stem was observed, both audibly as a hissing noise and visually, akin to a small volume of steam. When the valve stem was rotated to manipulate the valve it described a slightly eccentric path – i.e. the valve stem was slightly bent. Prior to the valve being manipulated there was no leak of gas. It was surmised by Mr May of TKM that the gas was leaking past the packing around the valve stem. Mr May stated that it is common for the packing to deform when a valve stem is turned, then to reform after a short period of time. The Lower Explosive Level alarm points for the gas detector were set at 5% (low) and 10% (high). A level of 7% was detected using a gas detector located 200 mm from the valve stem. Where 1% is equivalent to 500 ppm of gas in air, 7% is equivalent to 3500 ppm of gas in air.

There was a needle valve fitted outside of the annulus valve. This needle valve was fitted with a plug so that even if the both the annulus valve and the needle valve were opened, no gas would pass through.

Trevor May removed the plug from the needle valve. The needle valve was then opened. There was no leak of gas through the opened needle valve when the annulus valve was in the closed position. A pressure gauge was fitted to the outside outlet of the needle valve. When the annulus valve was opened, the pressure in the well annulus as measured on the pressure gauge on the needle valve external to the annulus was 2800 psi. The annulus valve was manipulated back to the closed position in an effort to stop the leak past the valve stem. This was unsuccessful, but it was anticipated that after a short time the packing would re-seal around the valve stem. Gas trapped between the annulus valve and the needle valve was vented and the plug re-installed in the needle valve. DMP, Buru and TKM personnel then left the Yulleroo-2 wellsite.

It was determined that the damaged annulus valve would need to be replaced. This would require the use of a side door lubricator and VR plugs to isolate the well annulus from the annulus valve. This equipment would have to be mobilised from Perth. There was also discussion where both Buru personnel and Mr May of TKM commented that there had been a small leak through grease fitting on the C-section annulus valve in 2013 that had been repaired shortly after being noticed.
2.6 **Letter to Buru requesting certain information 12 January 2015**

A letter was sent via email and by post addressed to Mr Eric Streitberg, Executive Chairman of Buru asking for certain historical information and reports pertaining to Yulleroo-2 (Exhibit 23). The letter was signed by Mr Jeffrey Haworth, Executive Director, Petroleum Division, of DMP, who is the Minister’s Delegate under PGERA 1967. This information was received by DMP via email from Mr Shaun Nagra of Buru on 28 January 2015.

The information requested was:

1. A detailed schematic of the current configuration of the well including the status of the sliding side door (SSD) installed in the tubing string above the packer.
2. Confirmation of the current status of the well — for example: whether the well is suspended or shut in.
3. Copy of the report issued by TKM for the most recent inspection carried out on Yulleroo-2 — understood to be in March 2014.
4. Copy of the TKM report on the repairs carried out 3 May 2013 to leaking grease fitting on the C-section annulus valve (the valve that is currently in question).
5. Copy of the report by Schlumberger on slickline work done on Yulleroo-2 in May 2013 to set a deep plug in the tubing.
6. Documentary evidence of all visits to the Yulleroo-2 location by Buru personnel or subcontractors since the March 2014 inspection of the well.
7. Report by TKM of the damaged annulus valve once the valve has been removed from the well and inspected at TKM in Perth.

With the exception of items 6 and 7 the information was received by DMP on 28 January as attachments to emails from Mr Nagra of Buru. Also included were the daily reports for the replacement of the annulus valve that occurred 20-22 January 2015. (Exhibit 29)

2.7 **Yulleroo-2 work instruction to replace damaged valve 14 January 2015**

A program was received via email by DMP on 14 January 2015 setting out the procedure for replacing the damaged annulus valve at Yulleroo-2 (Exhibit 25). The program was assessed by DMP staff and was approved on 15 January 2015 (Exhibit 26).

2.8 **Site visit Yulleroo-2, 20-22 January 2015 — Replacement of annulus valve**

Buru and TKM personnel accompanied by Mr Daniel, Manager, DMP Critical Risk, attended the Yulleroo-2 wellsite from 20 to 22 January to replace the C-section annulus valve. When the personnel checked the site for gas leaks the valve stem was found not to be leaking gas past the packing.

Once the appropriate equipment had been installed and pressure tested, the pressure in the tubing and annulus was bled down. The annulus valve was isolated from the well annulus using a VR plug and the annulus valve was replaced.

The procedure was as follows:

1. Appropriate equipment and pipework was set up and pressure tested.
2. Valves on the tree were pressure tested.
3. The Back Pressure Valve in the tubing spool was removed using a Polished Rod Lubricator.
4. The tubing and the C-section annulus pressures were bled down through a choke manifold.
5. A VR plug was installed through the annulus valve, using a side door lubricator.
6. The annulus valve was replaced with a new valve which was then pressure tested.
7. The tree above the tubing spool was replaced with a suspension assembly.
8. The removed annulus valve had an identifying tag attached to it.
9. The valve was boxed up and shipped to TKM in Perth for detailed examination.

2.9 TKM warehouse Perth, 5 February - Examination of the damaged 2” annulus valve

DMP inspector Mr Webster and DMP officers Mr Daniel and Mr Steve Emery (Critical Risk) attended the TKM workshop at 3 Kiln Street, Malaga on 5 February. Also present were Mr May, General Manager of TKM, various TKM employees who had cleaned and stripped the valve, and Mr Royle of Buru Energy.

The box containing the valve was opened and Mr Daniel confirmed that the identification tag on the valve was the one he had affixed on the valve at Yulleroo-2. The valve was removed from the box, cleaned and then the valve stem, packing and gate were removed from the valve.

The valve stem is a threaded connection which, when turned, will move the gate to block or unblock the flowpath through the valve. Examination of the valve stem, which was connected to the valve gate, confirmed that it was bent (Figure 5, page 12, also Exhibit 35).

Figure 5 Bent stem of the annulus valve, 5 Feb 2015
The gate may be described as a rectangular piece of steel with a 2" round hole within a few inches of one end. When the valve is opened the valve stem moves the gate such that the hole in the gate aligns with the 2" flow path through the valve. When the valve is closed, the gate is moved deeper into the valve so that the opening in the gate no longer aligns with the flow path and the flow path is effectively blanked off. The orientation of the valve on the Christmas tree was such that the gate moved horizontally when the valve was functioned.
Examination of the gate showed an impact scar on the steel between the bottom of the gate and the nearest curve of the round hole in the gate. A corresponding scar was also observed on the face of the valve seat which was still inside the valve body. The orientation of the damage indicates that the valve stem had been struck from the side. This caused the gate to impact on to the valve seal leaving some scarring. Due to the fact that the scarring on the gate occurred below the flow path opening in the gate, the gate must have been at least partially, if not fully, open for that point on the gate to impact on the valve seal and give rise to a potential leak path.
The gate and valve stem were taken by Mr Emery to DMP offices, 1 Adelaide Terrace, East Perth. The valve body was stored at the TKM premises in Malaga until removed to DMP storage at Carlisle on 23 April 2015.

2.10 TKM report on the valve inspection – 9 March 2015

A report from TKM was emailed to DMP on 9 March 2015. A request was sent by Mr Webster to Mr May of TKM asking for the report to include conclusions. A revised report was received on 10 March 2015 (Exhibit 35).

2.11 Contact with Broome police 19-26 February 2015

On 19 February Detective Sergeant Tony Wilson of WA police in Broome was sent a copy of Mr Daniel’s Yulleroo-2 incident report. Detective Sergeant Wilson requested that he be supplied with some of the photographs in the report and later requested a copy of the permit or licence that provides authority to control the specified areas. Mr Daniel supplied the photos and referred the request for a copy of licence to Petroleum Division Resource Branch inspector Mr Webster. PDFs of the original EP 391 title instrument and various historical title documents were emailed by Petroleum Titles officers Ms Alyssa Carstairs and Ms Michelle Florey to Mr Webster, who then sent them on to Detective Sergeant Wilson on 27 February 2015. It was found on 10 June 2015 that a clerical error had resulted in a name being wrongly spelled in the renewal title instrument. This was corrected and a pdf of the renewal title instrument was sent to Detective Sergeant Wilson on 10 June 2015.
2.12 Transfer of valve gate and stem to secure DMP storage, 16 March 2015

Mr Emery of DMP brought the valve gate and stem from 1 Adelaide Terrace to Mineral house for safe storage. The valve was placed by Ms Joanna Wong into safe temporary storage in DMP offices in Mineral House, 100 Plain St, East Perth.

2.13 Transfer of 2” annulus valve body to secure storage, 23 April 2015

Arrangements were made for the Yulleroo-2 annulus valve body and associated flange components to be picked up from TKM at 3 Kiln St, Malaga at 08:00 on 23 April 2015. DMP inspector Mr Webster went to the TKM premises in Malaga on the morning of 23 April 2015. The valve and components (flanges and bolts) were placed in a large (approximately 600 x 600 x 800 mm) plywood box. The box was transported to the Carlisle Core Library in Harris St, Carlisle, where it was placed in a sea container used by DMP Investigation Services Branch to store evidence. Mr Colin Boothroyd, General Manager, Investigations Services, accompanied by Ms Wong, was present to unlock the padlock on the container. They had with them a plastic bag containing the valve gate and stem that had been in secure storage in Mineral House. This plastic bag was placed on top of the box containing the valve body. The sea container was then padlocked by Mr Boothroyd.
3 Evidence

3.1 In relation to interference with a petroleum operation by recording a video in close proximity to a reputed gas leak at petroleum well

- Approval to drill the well (Exhibit 51).
- Well completion Report (proving the well was drilled) available from WAPIMS
- E-mails and attached photographs sent by ABC staff in Broome to DMP in Perth on 6 January 2015 (Exhibits 7, 8, 9, 10).
- E-mail between DMP and Buru Energy on 6 January 2015 (Exhibit 12).
- Photographs taken at Yulleroo-2 location on 7 January 2015 (Exhibits 15, 16, 17, 18, 19, 20, 21).

3.2 In relation to interference with a petroleum operation by damaging critical equipment at a petroleum well

- The evidence in 3.1 above, plus:
- Preliminary report of activity on 7 January 2015 at Yulleroo 2 location, issued by Shane Daniel, DMP Critical Risk Manager (Exhibit 54)
- Program of work for the replacement of the C-section annulus valve, submitted to the DMP for approval (Exhibit 25).
- E-mail with attached letter from DMP to Buru Energy approving the program of work to replace the C-section annulus valve (Exhibit 26).
- Reports issued by Buru 20-22 January relating to the replacement of the C-section annulus valve and subsequent testing of the wellhead and Christmas tree (Exhibit 29).
- TKM report on the C-section annulus valve examination at TKM premises in Malaga, Perth on 5 February 2015 (Exhibit 36). Photograph of damage to valve gate (Exhibit 40).
- C-Section annulus valve, inspected at TKM premises on 5 February 2015.
  - Valve gate and valve stem from the C-Section annulus valve, taken into DMP possession on 5 February at TKM premises in Malaga, Perth. These items were placed in secure temporary storage in Mineral House until they were placed in secure storage at the Carlisle Core Library with the valve body on 23 April 2015.
  - C-Section valve body, held at TKM premises until 23 April 2015 when it was taken to secure storage at the Carlisle Core Library.
- Shipping document for the valve transport to Carlisle (Exhibit 42).
- The valve body in a box at TKM premises, on 23 April 2015 (Exhibit 43).
- The box being loaded onto a truck (Exhibit 46).
- Photographs of:
  - The box and truck at Carlisle Core Library (Exhibit 47)
  - The box, valve gate and stem in the secure container at Carlisle Core Library (Exhibit 48).
3.3 In relation to failure to protect a well

3.3.1 In relation to failure to prevent damage occurring at a well

- Letter dated 20 February 2015 from Buru Energy titled “Response to Security Update request” (Exhibit 34).
- The above communications indicate that security is to be improved. It does not imply that Buru did not have adequate protection when the damage was done. There was no direct evidence collected that Buru Energy was unable to adequately protect the well.

4 Chronology of incident

4.1 Damage to Valve

A person or persons unknown entered the Yulleroo-2 location at an unknown date prior to 6 January 2015. Valves on the Christmas tree were manipulated — the Swab Valve and the C-section annulus valve were found not to be closed on 7 January when the site was visited by Buru and DMP.

The C-section annulus valve was struck by a heavy, hard object, causing the valve stem to bend and causing the valve gate to impact with the valve seat, causing scarring to occur on these components.

This scarring apparently provided a leak path past the packing on the valve stem. The packing on valve stems is known to deform when the valve is manipulated, then reform and seal around the valve stem after a day or so has passed. Normally there would not be a leak path past the seals and seats to the valve stem whether or not the valve was open.

4.2 Recording of gas leak

Person or persons unknown entered the Yulleroo-2 location on an unknown date and recorded on video a gas detector reading elevated gas levels adjacent to the annulus valve.

4.3 Report of leak to DMP

A copy of the video was given to the ABC in Broome. A telephone call was made from the ABC in Broome to DMP in Perth on 6 January 2015, regarding a gas leak on a well named Yulleroo-3. A subsequent email was sent from the ABC in Broome to DMP, which had photographs attached that showed a wellhead and a gas detector.

The questions from the ABC occurred on 6 January 2015. The video recording was made at some date just prior to 6 January 2015 and, given that the packing re-seals around the valve stem within a day or so, the valve stem was struck within a day or so of the recording being made, if not on the actual day. It is not known by DMP what format the video took or if there is a date, for example, on a video file being made or saved.
4.4 Site visit

On the 7 January 2015, when Buru and DMP visited the site, the C-section annulus valve stem and packing was not leaking. The valve was manipulated in order to see if the valve was in the open or closed position. The valve was not in a fully closed position and the packing started to leak gas as soon as the valve stem was turned. It was determined that the valve was damaged and would need to be replaced.

A program that covered procedures to replace the valve was submitted to the DMP and approved on 15 January 2015.

4.5 Valve replacement

The valve was replaced on 22 January 2015. Mr Daniel of DMP was present and witnessed the damaged valve being placed in a box for transportation to Perth. He personally affixed an identifying tag on the valve.

4.6 Inspection of damaged valve

On 5 February 2015, DMP inspector Mr Webster and DMP officers Mr Daniel and Mr Emery attended the examination of the damaged valve at TKM premises in Malaga, Perth.

A report on the inspection by TKM was submitted to DMP on 10 March 2015.

4.7 Valve placed in DMP secure storage

On 23 April the damaged valve was taken from TKM in Malaga and placed in the DMP Investigations Branch secure container at the DMP Core Library facility in Carlisle.
5 Findings

5.1 Unauthorised person(s) on site – Interference with a petroleum operation

An unauthorised person or persons entered the fencing enclosure around the Yulleroo-2 wellhead and Christmas tree prior to 6 January 2015 and took a video recording purporting to show a gas leak. This video recording was sent to the ABC.

Still photographs extracted from the video by the ABC show the gas recorder being held adjacent to the Yulleroo-2 Christmas tree. The extract “image.jpg” also shows that the valve stem on the C-section annulus valve is bent out of true.

The title holder (Buru Energy) of the lease had not given permission for persons to be on the site for the purpose of video recording and was unaware of a recording being made. Examination of a reflection off the gas detector of an individual making a video recording indicates that the person was not wearing appropriate PPE.

At this point it is not able to be determined who the unauthorised individual(s) was or were nor when they were on site.

5.2 Damage to valve and gas leak

A gas leak was found to have occurred past the packing around the valve stem of the C-section annulus valve when the valve was manipulated on 7 January. The valve itself was found not to be leaking. Examination of the valve stem on site on 7 January and later at TKM premises on 5 February showed that the valve stem was bent. The examination at TKM premises revealed scarring to the valve gate and seat that provided a leak path past the valve stem. The scarring was caused by a significant blow being struck to the valve stem while the valve was in a partially open position.

The still image “image.jpg” sent to the DMP on 6 January shows that the valve stem was bent (at the time the video was recorded). It is unknown if the valve stem was bent on the same occasion as the video recording or if the valve stem was bent at some time before. The last authorised inspection of the Christmas tree valves by Buru subcontractors does not indicate any damage.

There is no direct evidence that determines who caused the damage to the valve stem or when it was done.

5.3 Implication of the timing of the video recording

It is unknown exactly when the video recording was made. It is also unknown when the damage to the valve stem and consequent internal scarring was sustained. It is evident from the placement of the scarring that the valve was at least partially open when the damage was sustained. It is also unknown how many times, if any, the valve was manipulated in the period between the damage occurring, and 6 January, when DMP was made aware of the video in ABC Broome’s possession. It is known to be common for the packing to reform a seal around the valve stem after a period of hours following deformation to the seal.

For gas to be recorded leaking from the valve stem, either the valve damage occurred shortly before the recording was made and the recording was done before the packing reformed a seal around the valve stem or the valve damage occurred at some earlier time, the packing reformed
a seal around the valve stem then the valve was re-manipulated to allow gas to leak shortly before the recording was made.

In either case, the implication is that the individual who made the recording was in close proximity when the unauthorised manipulation of the valve occurred.
6 Exhibits

1. TKM report 3 May 2013 on replacing leaking grease fitting, annulus valve, Yulleroo-2
2. SLB report on setting deep set plug 4 - 6 May 2013
3. TKM Report 9 May 2013 set Back Pressure Valve
4. Email 22 July 2013 with attached letter directing Buru to inspect wells
5. Letter attached to the above email.
6. Yulleroo-2 Integrity check, TKM report March 2014
7. Email from Erin Parke, ABC in Broome to Conor Doherty, DMP, 6 January 2015
8. Email from Natalie Jones, ABC, Broome to Jean Stewart, DMP (with attached photos), 6 January 2015. Forwarded to Stuart Webster 27 March 2015
9. Image.jpg (attached to Natalie Jones email 6 January 2015)
10. 20150106_135518.jpg (attached to Natalie Jones email, 6 January 2015), showing gas reading and damaged valve stem.
11. Email from Conor Doherty to Jeffrey Haworth 6 January 2015, reply from Jeffrey Haworth
12. Email from Jeffrey Haworth to Eric Streitberg, Buru Energy 6 January 2015
13. TKM Report 7 January 2015, Yulleroo 2
15. Yulleroo 2, 7 January 2015, fence around Christmas tree
16. Yulleroo 2, 7 January 2015, gas reading before valve manipulation, zero hydrocarbons
17. Yulleroo 2, 7 January 2015, taking a gas measurement
18. Yulleroo 2, 7 January 2015, manipulating the annulus valve
19. Annotated image of Yulleroo 2 Christmas tree 7 January 2015
20. Yulleroo 2, 7 January 2015, Annulus valve, showing bent valve stem
21. Yulleroo 2, 7 January 2015, annulus valve, bent valve stem
22. Email 13 January 2015 from Shane Daniel, DMP. Preliminary report attached
23. Email from S. Webster to Buru with attached letter requesting information 12 January 2015
24. Letter signed by Executive Director, Petroleum Division, DMP requesting information, attached to item 15
25. Buru work instruction to replace the damaged annulus valve
26. Email and attached approval of work instruction to replace damaged valve 15 January 2015
27. Yulleroo 2 Christmas tree and wellhead schematic, received
28. Yulleroo 2 Well schematic, signed 15/1/2015 by Cameron Manifold.
29. Buru daily report#3, 22 January 2015, replacing damaged valve on Yulleroo-2
30. Email 10 February from DMP to Buru Energy requesting confirmation of well integrity test
31. Email 12 February from Buru stating that 9-58” casing/7” liner to 4.6” annulus was not checked
32. Request 12 February 2015 that 9-5/8”/7” liner to 4.5” annulus be tested.
33. Email from S. Webster to Broome police with attached EP 391 title instrument and renewals. 27 February 2015
34. 20 February 2015 Buru update on Canning Basin Security
35. Email 10 March 2015 from TKM to DMP with attached report on damaged valve inspection held at TKM premises on 5 February 2015
36. TKM report on valve inspection 5 February 2015
37. Examination of valve at TKM, Malaga, showing bent valve stem
38. Bent valve stem showing direction of impact, 5 Feb 2015
39. Annulus valve gate, 5 February 2015
40. Annulus valve gate showing scarring, 5 February 2015
41. 23 April Buru update on Canning Basin security
42. Request for Transport doc from TKM, Malaga to Carlisle, 23 April 2015
43. Annulus valve body in box at TKM, Malaga, 23 April 2015
44. Tag on valve body, affixed by Mr Daniel, 22 January 2015
45. Old bit box used to store the annulus valve body
46. Bit box with valve inside being placed in truck for transportation to Carlisle
47. Transport truck next to ISB container at Carlisle Core Library
48. Box with valve body in sea container; valve gate and stem in package on top, 23 April 2015
49. Closer view of package containing valve gate and stem 23 April 2015
50. ISB secure container at Carlisle Core Library
51. Approval to drill Yulleroo-2 in EP 391.
52. Renewal of title EP391
53. Corrected front page EP 391 title renewal
54. Preliminary report by Shane Daniel
TKM Wellhead Services Job Report

Customer: BURU Energy  Rig:  Well No: Yulleroo 2
FSI no:  Technician: T May T1 May

Equipment:  Part No:  Serial No:
Side door lubricator  
Buru Pressure Test Trailer  

Task: Run VR plug and change out Alemite grease fittings on Left PA valve
PA valves are WKW PowR Seal

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/05/2013</td>
<td>05.30hrs</td>
<td>Travel to Airport</td>
</tr>
<tr>
<td></td>
<td>07.15hrs</td>
<td>Fly to Broome</td>
</tr>
<tr>
<td></td>
<td>09.40hrs</td>
<td>At workshop load up for Yulleroo job, advise travel plans</td>
</tr>
<tr>
<td></td>
<td>11.30hrs</td>
<td>Onsite, review JSAs and sign onto permit, gas test well site</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Check annulus pressure 2500psi</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Left PA valve rear grease fitting leaking, remove cap and install bleed tool</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Unable to obtain sea on sunken check valve, prepare to rig up VR lubricator</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Depressurise void bell in gate valve to Companion flange and monitor</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Remove companion flange, clean and inspect ring groove,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Install new RX24 ring gasket and DSA, fit new RX35 ring gasket</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rig up lubricator, pressure test will annulus pressure 2500psi</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Equalise pressure in lubricator, pump in and set VR plug</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bleed off pressure in PA valve and lubricator and monitor</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rig up bleeders tool on grease fittings, check no trapped pressure</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Remove and replace both grease fittings</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pressure test fittings 2500psi ok</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Run in and prepare to remove VR plug,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Equalise pressure in VR lubricator with annulus pressure for right PA valve</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Unscrew VR plug and retract polished rod, shut in PA valve and bleed off</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Monitor no pressure increase, remove VR lubricator</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fit up Companion flange assy and pressure test all ok</td>
</tr>
<tr>
<td></td>
<td>15.15hrs</td>
<td>Clean up site and travel to Ungani site call in and advise travel plans</td>
</tr>
<tr>
<td></td>
<td>16.30hrs</td>
<td>Arrive Ungani, unload test trailer and set up for morning work</td>
</tr>
<tr>
<td></td>
<td>17.00hrs</td>
<td>Depart Ungani and travel to town advise office travel plan</td>
</tr>
<tr>
<td></td>
<td>18.30hrs</td>
<td>Arrive warehouse and notify ops</td>
</tr>
</tbody>
</table>
# Sequence of Events

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>SL T/S No.</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/04/2013</td>
<td>6:00</td>
<td></td>
<td>Leave service in Client's car</td>
</tr>
<tr>
<td></td>
<td>7:30</td>
<td></td>
<td>Arrive at lease sign on permit</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Continue packing up truck to move to next lease</td>
</tr>
<tr>
<td></td>
<td>8:30</td>
<td></td>
<td>Leave lease</td>
</tr>
<tr>
<td></td>
<td>10:00</td>
<td></td>
<td>Arrive at Yulleroo 2</td>
</tr>
<tr>
<td></td>
<td>10:30</td>
<td></td>
<td>Drive 85 k.s. between leases</td>
</tr>
<tr>
<td></td>
<td>12:10</td>
<td></td>
<td>Rig up 1.75&quot; gauge cutter</td>
</tr>
<tr>
<td></td>
<td>12:15</td>
<td></td>
<td>Pressure test lubricator</td>
</tr>
<tr>
<td></td>
<td>12:30</td>
<td></td>
<td>Hold for 15 min</td>
</tr>
<tr>
<td></td>
<td>13:30</td>
<td></td>
<td>RIH with 1.75 gauge cutter</td>
</tr>
<tr>
<td></td>
<td>13:40</td>
<td></td>
<td>No indications of the SSD or the X profile or the XN profile</td>
</tr>
<tr>
<td></td>
<td>13:45</td>
<td></td>
<td>Ring SLB Bikeline FSM and decide to run B shifting tool to close SSD</td>
</tr>
<tr>
<td></td>
<td>14:40</td>
<td></td>
<td>POOH</td>
</tr>
<tr>
<td></td>
<td>14:45</td>
<td></td>
<td>Rig off lubricator and change tool to the 2&quot; B shifting tool</td>
</tr>
<tr>
<td></td>
<td>14:46</td>
<td></td>
<td>Pressure test Lubricator</td>
</tr>
<tr>
<td></td>
<td>14:50</td>
<td></td>
<td>Stuffing box starts to leak, decide with Company Man to rig down and</td>
</tr>
<tr>
<td></td>
<td>15:00</td>
<td></td>
<td>change pack</td>
</tr>
<tr>
<td></td>
<td>15:30</td>
<td></td>
<td>Rig down lubricator to replace packing</td>
</tr>
<tr>
<td></td>
<td>15:30</td>
<td></td>
<td>Find problem with shive wheel pull apart and repair</td>
</tr>
<tr>
<td></td>
<td>16:00</td>
<td></td>
<td>Replace packing in stuffing box</td>
</tr>
<tr>
<td></td>
<td>17:00</td>
<td></td>
<td>Leave lease</td>
</tr>
</tbody>
</table>
### Exhibit 2 (2/5) Schlumberger Report 4 - 6 May 2013 Deep Set Plug

<table>
<thead>
<tr>
<th>Operator</th>
<th>BURU</th>
<th>Well No.</th>
<th>Toolstring Number: 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rig:</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Operation Details: 2.5" GR pulling tool.

<table>
<thead>
<tr>
<th>Description</th>
<th>Pin Size/Type</th>
<th>Box Size/Type</th>
<th>Length (inches)</th>
<th>Weight (lbs)</th>
<th>O.D. (inches)</th>
<th>Fish Neck (inches)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rope Socket</td>
<td>N/A</td>
<td>15/16&quot; SRT</td>
<td>6.00</td>
<td>1.50</td>
<td>1.50</td>
<td>1.375</td>
</tr>
<tr>
<td>Cross over</td>
<td>15/16&quot; SRT</td>
<td>QLS</td>
<td>5.00</td>
<td>1.50</td>
<td>1.50</td>
<td>1.375</td>
</tr>
<tr>
<td>5 ft Stem</td>
<td>QRJ</td>
<td>QRJ</td>
<td>60.00</td>
<td>30.00</td>
<td>1.50</td>
<td>1.375</td>
</tr>
<tr>
<td>5 ft Stem</td>
<td>QRJ</td>
<td>QRJ</td>
<td>60.00</td>
<td>30.00</td>
<td>1.50</td>
<td>1.375</td>
</tr>
<tr>
<td>3 ft Stem</td>
<td>QRJ</td>
<td>QRJ</td>
<td>36.00</td>
<td>21.00</td>
<td>1.50</td>
<td>1.375</td>
</tr>
<tr>
<td>3 R Stem</td>
<td>QRJ</td>
<td>QRJ</td>
<td>36.00</td>
<td>21.00</td>
<td>1.50</td>
<td>1.375</td>
</tr>
<tr>
<td>Spang Jar (30&quot; Stroke)</td>
<td>QRJ</td>
<td>QRJ</td>
<td>78.00</td>
<td>35.00</td>
<td>1.50</td>
<td>1.375</td>
</tr>
<tr>
<td>Cross over</td>
<td>QRJ</td>
<td>15/16&quot; SRT</td>
<td>5.50</td>
<td>3.00</td>
<td>1.50</td>
<td>1.375</td>
</tr>
<tr>
<td>2&quot; b shifting tool</td>
<td>QRJ</td>
<td>N/A</td>
<td>4.00</td>
<td>2.00</td>
<td>1.50</td>
<td>1.375</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Approx Total Weight</th>
<th>148.00 lbs</th>
<th>Total</th>
<th>23.83 (feet)</th>
<th>Maximum</th>
<th>2.00 (inches)</th>
<th>Tool O.D.</th>
<th>50.80 (mm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>67.12 Kgs</td>
<td>Length</td>
<td>7.26</td>
<td>(Metres)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Sequence of Events

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>SL T/S No</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/5/2013</td>
<td>5:00</td>
<td>Leave site</td>
<td></td>
</tr>
<tr>
<td>6:30</td>
<td></td>
<td></td>
<td>Arrive at lease</td>
</tr>
<tr>
<td>6:40</td>
<td></td>
<td></td>
<td>Rig up with 2&quot; B shifting tool. Zero at tubing hanger. (lb = 7m)</td>
</tr>
<tr>
<td>7:20</td>
<td></td>
<td></td>
<td>Pressure test hold for 15 min</td>
</tr>
<tr>
<td>7:35</td>
<td></td>
<td></td>
<td>RIH with 2&quot; B shifting tool</td>
</tr>
<tr>
<td>8:30</td>
<td></td>
<td></td>
<td>Tag SSD at 2735 mdp</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Jar up 8 times then tool comes free</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Run look passed the SSD three times to check that its closed POOH</td>
</tr>
<tr>
<td>8:40</td>
<td></td>
<td></td>
<td>Remove B shifting tool and check pin in tool. Pin good</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Pin up x long running tool with PX 1.875&quot; lock mandrel</td>
</tr>
<tr>
<td>9:30</td>
<td></td>
<td></td>
<td>Connect lubricator and pressure test</td>
</tr>
<tr>
<td>10:45</td>
<td></td>
<td></td>
<td>Hold for 15 min</td>
</tr>
<tr>
<td>11:00</td>
<td></td>
<td></td>
<td>RIH with 1.875&quot; lock mandrel</td>
</tr>
<tr>
<td>12:00</td>
<td></td>
<td></td>
<td>Tag X profile at 2707 mdp</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Jar down 8 times</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Pull overpull 600 lbs</td>
</tr>
<tr>
<td>12:30</td>
<td></td>
<td></td>
<td>Jar up 2 times and running tool comes off lock</td>
</tr>
<tr>
<td>13:00</td>
<td></td>
<td></td>
<td>Disconnect lubricator and put PX prong on tool string</td>
</tr>
<tr>
<td>13:20</td>
<td></td>
<td></td>
<td>Pressure test lubricator for 15 min</td>
</tr>
<tr>
<td>13:35</td>
<td></td>
<td></td>
<td>RIH with PX prong</td>
</tr>
<tr>
<td>14:30</td>
<td></td>
<td></td>
<td>Tag lock mandrel</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Jar down 2 times</td>
</tr>
<tr>
<td>14:40</td>
<td></td>
<td></td>
<td>POOH</td>
</tr>
<tr>
<td>15:15</td>
<td></td>
<td></td>
<td>Rig off lubricator</td>
</tr>
<tr>
<td>16:20</td>
<td></td>
<td></td>
<td>Bleed down 1000 psi from tubing</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Annulus pressure doesn’t move</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Watch both for 30 min no increase in pressure</td>
</tr>
<tr>
<td>16:00</td>
<td></td>
<td></td>
<td>Continue to rig down all PCE</td>
</tr>
<tr>
<td>16:30</td>
<td></td>
<td></td>
<td>Leave lease</td>
</tr>
</tbody>
</table>
### Exhibit 2 (4/5) Schlumberger Report 4 - 6 May 2013 Deep Set Plug

<table>
<thead>
<tr>
<th>Operation Details</th>
<th>2.5&quot; GR pulling tool</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>Pin Size/Type</td>
</tr>
<tr>
<td>Rope Socket</td>
<td>N/A</td>
</tr>
<tr>
<td>Cross over</td>
<td>15/16&quot; SRT</td>
</tr>
<tr>
<td>5 ft Stem</td>
<td>QRIJ</td>
</tr>
<tr>
<td>5 ft Stem</td>
<td>QRIJ</td>
</tr>
<tr>
<td>3 ft Stem</td>
<td>QRIJ</td>
</tr>
</tbody>
</table>

| Description       | Pin Size/Type | Box Size/Type | Length (inches) | Weight (lbs) | O.D. (inches) | Pinch Neck (inches) |
| Spacing Jar (30" Stroke) | QRIJ          | QRIJ          | 78.00           | 30.00         | 1.500         | 1.375             |
| Cross over        | QRIJ          | 15/16" SRT   | 5.50            | 3.00          | 1.500         | 1.275             |

| Description       | Pin Size/Type | Box Size/Type | Length (inches) | Weight (lbs) | O.D. (inches) | Pinch Neck (inches) |
| SB pulling tool   | 15/16" SRT   | N/A           | 12.00           | 2.000         | 1.376         |                   |
| PX prong          | N/A           | N/A           | 24.00           |              |               |                    |

<table>
<thead>
<tr>
<th>Approx Total Weight</th>
<th>144.00 Lbs</th>
<th>Total Length</th>
<th>26.83 (feet)</th>
<th>Maximum</th>
<th>2.00 (inches)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>65.30 Kgs</td>
<td>Length</td>
<td>8.18 (Meters)</td>
<td>Tool O.D.</td>
<td>56.80 (mm)</td>
</tr>
</tbody>
</table>
## Sequence of Events

<table>
<thead>
<tr>
<th>Client</th>
<th>Well</th>
<th>Field</th>
<th>Rig</th>
<th>Date</th>
<th>Job Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>BURU</td>
<td>Yulleroo 2</td>
<td>Yulleroo</td>
<td>N/A</td>
<td>6-May-13</td>
<td>8-May-13</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>SL/T/S No</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/08/2013</td>
<td>6:30</td>
<td></td>
<td>Leave servo</td>
</tr>
<tr>
<td></td>
<td>7:30</td>
<td></td>
<td>Arrive at lease. Sign on permit</td>
</tr>
<tr>
<td></td>
<td>8:30</td>
<td></td>
<td>Continue packing up truck</td>
</tr>
<tr>
<td></td>
<td>8:30</td>
<td></td>
<td>Leave lease</td>
</tr>
<tr>
<td></td>
<td>10:00</td>
<td></td>
<td>Drive 70 ks back to servo</td>
</tr>
<tr>
<td></td>
<td>10:00</td>
<td></td>
<td>Leave servo heading for Port Headland</td>
</tr>
<tr>
<td></td>
<td>17:00</td>
<td></td>
<td>Drive 500 ks</td>
</tr>
<tr>
<td></td>
<td>17:00</td>
<td></td>
<td>Arrive at motel</td>
</tr>
</tbody>
</table>
## TKM Wellhead Services Job Report

**Customer:** BURU Energy  
**FBI no:** 1730  
**Well No.:** Yulleroo 2  
**Technician:** T May  
**Date:** T May  
**Install BPV**

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>9/05/2013</td>
<td>06.00hrs</td>
<td>Travel to Front gate at Yulleroo wait on truck, drive into site</td>
</tr>
<tr>
<td>07.30hrs</td>
<td></td>
<td>At site call in ops</td>
</tr>
<tr>
<td>08.30hrs</td>
<td></td>
<td>Onsite, review JGA and sign onto permit, gas test well site</td>
</tr>
<tr>
<td>08.30hrs</td>
<td></td>
<td>Check Tubing Head Pressure 2150 psi</td>
</tr>
<tr>
<td></td>
<td>09.00hrs</td>
<td>Check pressure gauge in tree cap, open up valves - 2150 psi tbg head</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Close valves, bleed off above SWAB</td>
</tr>
<tr>
<td></td>
<td>10.00hrs</td>
<td>Check no trapped pressure swab to tree cap, all valves closed</td>
</tr>
<tr>
<td></td>
<td>11.00hrs</td>
<td>Remove tree cap ft RT and BPV to lubricator, rig up on tree</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Line test 500500psi and chart</td>
</tr>
<tr>
<td></td>
<td>11.00hrs</td>
<td>Pressure test lubricator against SWAB 500500psi and chart ok</td>
</tr>
<tr>
<td></td>
<td>11.00hrs</td>
<td>Open up tree valves and equalise lubricator 2150psi in tbg head</td>
</tr>
<tr>
<td></td>
<td>11.00hrs</td>
<td>RIH and set BPV, confirm set lift up and back off POOH and close valves</td>
</tr>
<tr>
<td></td>
<td>12.00hrs</td>
<td>Bleed off and rig down, fit tree cap</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fit up blind flange on kill wing valve</td>
</tr>
<tr>
<td></td>
<td>13.00hrs</td>
<td>Remove SDV on wing valve</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fit up blind flange on wing valve</td>
</tr>
<tr>
<td></td>
<td>14.00hrs</td>
<td>Depart site 11.30hrs and call in travel plan, notified ops when back in Broome</td>
</tr>
<tr>
<td></td>
<td>14.00hrs</td>
<td>Back at warehouse and unload</td>
</tr>
<tr>
<td></td>
<td>14.00hrs</td>
<td>Fly Broome Perth</td>
</tr>
</tbody>
</table>

**Note:** TKM 2.0" H BPV ran in well not Buru 2.0" 2 way Check valve

---

Investigation factual report
Hello Will,

Please find attached for your attention.

A copy of the letter will be sent to you by post.

Thanks and Regards,

Sankar Palat
Petroleum Engineer, Petroleum Resources Branch
Department of Mines and Petroleum (DMP)
100 Plain St, East Perth WA 6004
Phone: (08) 9222-3108; Fax: (08) 9222-3799
Email: sankar.palat@dmp.wa.gov.au
Exhibit 5 Letter from DMP directing that wells be inspected

Your ref:

H225/2009, H3131/09

Enquiries: Stuart Webster - Ph: 08 9222 5223 Fax: 08 9222 3769
Email: Stuart.webster@dmpra.wa.gov.au

Will Pulsford
Chief Operating Officer
Buru Energy
Level 2, 97 William Street
PERTH, WA 6000

Dear Sir,

Buru Energy Well Integrity

As part of the Department’s auditing process on well integrity, it is requested under Clause 635 (2), (3), of the Schedule of Onshore Petroleum Exploration and Production Requirements 1991 that all wells under Buru operatorship in the Canning Basin that have not been plugged and abandoned (P & A) be inspected to ascertain their well integrity. This includes wells in Petroleum Production Licences L 6, L 8 and Petroleum Exploration Permit EP 104, EP 129, EP 371, EP 390, EP 391, EP 431, EP 436; and also wells in Retention Lease R1.

An interim report showing the result of any current inspections together with a work schedule detailing when all inspections might be completed is requested to be sent to the DMP within 30 days.

A final report showing the results of inspections and any proposed necessary remedial work should be furnished to the DMP for consideration once all wells have been inspected. The inspections should cover completed, shut-in, suspended or otherwise not plugged and abandoned wells.

Yours faithfully,

J. H. Haworth
AVExecutive Director, Petroleum Division

22 July 2013
### TKM Wellhead Services Job Report

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/03/2014</td>
<td>08:30am</td>
<td>Standby check over equipment, travel to Y1 for valve greasing.</td>
</tr>
<tr>
<td>10/03/2014</td>
<td>09:30am</td>
<td>Leak test available, check operation of tree valves, - oil, zero pressure in tree above BFPV, check operation of annulus valves, - ok 2500psi in annulus, rig up greases pump, and inject gate valve grease to 2500psi for tree valves, 10 min each or until valve pressures up, rig up and grease annulus valves, - 10 min each or until valves pressure up, stroke all valves, bleed off pressure on PA downstream of annulus valves.</td>
</tr>
<tr>
<td>14:00hrs</td>
<td></td>
<td>Travel back to Ungani 3 and stand by.</td>
</tr>
</tbody>
</table>
Exhibit 7 email 6 January 2015 from Erin Parke to DMP - questions about a gas leak at Yulleroo 3

From: Erin Parke <Parke.e@abc.net.au>
To: DOHERTY, Conor
Cc: 
Subject: Kimberley queries

Hi Conor,

Chasing up on two stories,
First is to do with an apparent gas leak at a drilling well east of Broome.

Footage recorded there in recent days shows a gas gauge registering 50,000 ppm within a metre of the Yulleroo 3 well.

Wanted to know
- What is the recommended level of gas permitted either generally, or from this well in particular (not sure if there are conditions specific to Buru’s well-sites, or whether general standards apply)
- Is the Department aware of an issue with gas being released from the Yulleroo 3 well?
- Does DMP inspect the drill wells as a matter of course, and if so, when was last inspection?

Second, in regards to the Koolan island wall collapse,
- Has Gibson Iron submitted its water quality assessments of the surrounding marine environments to establish environmental impact? (as described in parliament by Minister Baston)
- What were the findings?
- Has it been decided if any measures will have to be put in place to minimise the dispersion of sediment?
- Have the two diesel-powered pumps with fuel tanks been removed from the pit?
- Who is investigating the cause of the investigation, and what's the timeframe for it to be complete?

Response by midday tomorrow would be appreciated, or earlier if possible.

Thanks, Erin
Exhibit 8 email 6 January 2015 from Natalie Jones, ABC, Broome to Jean Stewart, DMP (with attached photos). forwarded to Stuart Webster 27 March 2015

WEBSTER, Stuart

From: STEWART, Jean
Sent: Friday, 27 March 2015 2:41 PM
To: WEBSTER, Stuart
Subject: FW: photos of gas recordings
Attachments: fwd: image.jpg, fwd: 20150106_135518.jpg

Jean Stewart | Manager Communications | Communications and Marketing, Strategic Policy
Department of Mines and Petroleum
Tel: +61 8 9222 3325 | Mob: 0408 495 109 | jean.stewart@dmp.wa.gov.au
www.dmp.wa.gov.au

From: Natalie Jones [mailto:Jones.Natalie@abc.net.au]
Sent: Tuesday, 6 January 2015 3:37 PM
To: STEWART, Jean
Cc: Erin Parke
Subject: photos of gas recordings

Hi Jean,

Erin asked me to forward these two pictures on to you, as she can’t email from her phone.
I assume you know what they’re about [allegedly from a Buru Energy site in the Kimberley] but give me a call if they need explaining.
Erin is back on the early shift tomorrow.

Cheers,

Nat

NATALIE JONES | JOURNALIST
ABC KIMBERLEY
20 Hamersley St Broome WA 6725 | PO Box 217 Broome WA 6725
(08) 9191 3017 | mob 0433 126 428 | (08) 9191 3099

ABC

Please consider the environment before printing this e-mail.

The information contained in this email and any attachment is confidential and may contain legally privileged or copyright material. It is intended only for the use of the addressee(s). If you are not the intended recipient of this email, you are not permitted to disseminate, distribute or copy this email or any attachments. If you have received this message in error, please notify the sender immediately and delete this email from your system. The ABC does not represent or warrant that this transmission is secure or virus free.
Exhibit 9 image.jpg, attached to Ms Jones email 6 January 2015 (also in figure 1 page 5)

Exhibit 10 201506_135518.jpg (attached to Ms Jones email, 6 January 2015)

Damaged valve stem
Exhibit 11 email 6 January 2015 from Ms Doherty to Mr Haworth, reply from Mr Haworth

WEBSTER, Stuart

From: HAWORTH, Jeffrey
Sent: Tuesday, 6 January 2015 12:41 PM
To: DOHERTY, Conor
Subject: RE: Media query - gas leak at Yulleroo 3 well

Conn
Where is the footage?

Jeffrey Haworth | Executive Director | Petroleum, Approvals and Compliance
Department of Mines and Petroleum
Tel: +61 8 9222 3291 | Mob: 0428 424 315 | jeffrey.haworth@dmp.wa.gov.au
www.dmp.wa.gov.au

From: DOHERTY, Conor
Sent: Tuesday, 6 January 2015 11:24 AM
To: HAWORTH, Jeffrey
Cc: STEWART, Jean
Subject: Media query - gas leak at Yulleroo 3 well
Importance: High

Hi Jeff

We’ve just had the following query come through from ABC Broome. The journalist’s questions are in blue below. Would someone in Petroleum please be able to provide responses to the below questions by COB today and I will put a response together.

Any questions please let me know.

Thanks,
Conor

Query is to do with an apparent gas leak at a drilling well east of Broome.

Footage recorded there in recent days shows a gas gauge registering 50,000 ppm within a metre of the Yulleroo 3 well.

Wanted to know:
- What is the recommended level of gas permitted either generally, or from this well in particular (not sure if there are conditions specific to Buru’s well-sites, or whether general standards apply)
- Is the Department aware of an issue with gas being released from the Yulleroo 3 well?
- Does DMP inspect the drill wells as a matter of course, and if so, when was last inspection?

Conor Doherty | Communications Officer
Communications and Marketing, Strategic Policy

Department of Mines and Petroleum
100 Plain Street East Perth WA 6004
Tel: +61 8 9222 3778 | Mob: 0439 130 672 | conor.doherty@dmp.wa.gov.au
Exhibit 12 email 6 January 2015 from Mr Haworth to Mr Streitberg

WEBSTER, Stuart

From: HAWORTH, Jeffrey
Sent: Tuesday, 6 January 2015 4:04 PM
To: 'Eric Streitberg (erikstreitberg@buruenergy.com)'
Cc: 'Mark Royle (markjerome.royle@gmail.com)'
Subject: FW: photos of gas recordings
Attachments: Fwd:image.jpg; Fwd: 20150106_135518.jpg

Eric

As discussed earlier:

These are the stills ABC has supplied me about Yulleroo 3. I suggest DMP will need to come out with Buru and witness gas readings at the well as soon as possible.

Stuart will contact Mark to discuss further. Our safety people will also need to be involved as this reading was taken inside the fenced area.

Regards

Jeffrey Haworth | Executive Director | Petroleum, Approvals and Compliance

Department of Mines and Petroleum
Tel: +61 8 9222 3291 | Mob: 0428 424 315 | jeffrey.haworth@dmp.wa.gov.au
www.dmp.wa.gov.au

From: STEWART, Jean
Sent: Tuesday, 6 January 2015 3:40 PM
To: DOHERTY, Conor; HAWORTH, Jeffrey
Subject: FW: photos of gas recordings

FYI – photos provided by ABC. These are stills of a video provided. They have said that they are aware someone trespassed to get them as they have come via several people passing them on to protect the person who took them.

Jean Stewart | Manager Communications | Communications and Marketing, Strategic Policy

Department of Mines and Petroleum
Tel: +61 8 9222 3325 | Mob: 0408 495 109 | jean.stewart@dmp.wa.gov.au
www.dmp.wa.gov.au
TKM Wellhead Services Job Report

Customer: BURU Energy  Rig:  Well No: Yulleroo 2  
FSI no:  Technician: Trevor May

Equipment:  Part No:  Serial No: 
Yulleroo 2 wellhead

Task:
Travel to Broome and Yulleroo 2

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/01/2015</td>
<td>05.30hrs</td>
<td>Fly Perth to Broome</td>
</tr>
<tr>
<td></td>
<td>09.00hrs</td>
<td>Pre job discussion at Bursi Office</td>
</tr>
<tr>
<td></td>
<td>11.30hrs</td>
<td>Load up and travel to Yulleroo site, not allowed in, wait on police</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Approximate time, finally allowed in just before police arrived, drive to Y2 site road very slippery and water over laid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Gas test site bring vehicles in</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Gas test well area, no gas, H2S zero CO2 zero O2 20.9 LEL zero</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hold gas tester at left PA valve on piggy back, no leak</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Check position of valves, noticed left PA valve bent stem, SWAB open, UMV, LMV, right PA valves all closed, Left PA valve closed, not leaking, function left PA valve gas release from stem, function valve fully in and out, gas would not stop, slight leak LEL was over limit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Try to energise stem seal via packing screw on bonnet, wound it fully in, leak would not stop</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Discussed with PIC and group, to pack off the stem further we would need to bleed the PA to zero, PA pressure was 2800psi</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Decided unsafe to proceed, pack up and depart site, travel back to office for post meeting</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Work plan for valve replacement with side door lubricator</td>
</tr>
<tr>
<td></td>
<td></td>
<td>TM to submit procedure 08.01</td>
</tr>
<tr>
<td></td>
<td>19.40hrs</td>
<td>Travel to Perth</td>
</tr>
<tr>
<td></td>
<td>23.30hrs</td>
<td>Home</td>
</tr>
</tbody>
</table>
### Incident Report Form

**A) Incident Details**

- **Report Initiated By:** Josh Harrison
- **Company/Facility:** Buru Energy
- **Date & Time of Incident:** 7/01/2015 12:00
- **Date & Time Reported:** 7/01/2015 16:00
- **Incident Reported to Supervisor:** Yes
- **Incident Type:** Near Miss
- **Injury:** No
- **Equipment Damage:** Yes
- **Dropped Object:** No
- **Heritage Damage:** No
- **Environment:** Yes
- **Other:** No

**B) Detail of Person Involved in the Incident**

<table>
<thead>
<tr>
<th>Surname</th>
<th>First Name</th>
<th>Roster</th>
<th>Date of Induction</th>
</tr>
</thead>
<tbody>
<tr>
<td>George Morris</td>
<td>COMPANY Buru</td>
<td>ROLE Drom Manager</td>
<td></td>
</tr>
<tr>
<td>Mark Boyd</td>
<td>COMPANY Buru</td>
<td>ROLE Operations Lead</td>
<td></td>
</tr>
<tr>
<td>Trevor May</td>
<td>COMPANY TKM</td>
<td>ROLE Service Technician</td>
<td></td>
</tr>
</tbody>
</table>

**C) Witness Details**

- **Name:** George Morris
- **Company:** Buru
- **Role:** Drom Manager

**D) Incident Information Details**

**Location of Incident:** Yulleroo 2 Wellhead

**Full Description of Incident Details (Attach Sketch if Required):**

- **Tuesday 6th January:** Buru Energy received notification from the DMP that the department was informed via 3rd party that there was a suspected gas leak at Yulleroo 2.
- **Wednesday 7th January:** A team consisting of two DMP inspectors, Three Buru Personnel and one TKM service technician attended Yulleroo site to assess the reported leak. On entering the Yulleroo main gate, the team was stopped by a protestor blocking entry on the access road. Police were called by George Morris. At approximately 12:15 PM, the protester moved to allow entry. The inspection team drove in to inspect the well.

On arriving at the well site a gas test was conducted to ascertain if there was any leak and if the area was safe for the team to commence further checks.

- **Gas test immediate well area, LEL - 0%, H2S - 0ppm, CO - 0ppm, O2 - 20.9%:**
  - Hold gas tester at left PA valve on piggy back spool - No leak observed.

It was then decided that the TBM valve technician conducted further checks to verify valve positions.

- **The Christmas tree Swab valve was found open, UMV, LMV, Right Production Annulus (PA) valves were all closed - No leaks were observed.**

When checking position of the left Production Annulus valve an immediate audible gas release from stem was noticed. This valve was also found in a closed position.

It was also observed that the Left PA valve had a bent stem and the valve was further functioned in an attempt to see if the leak stopped but this did not stop the audible leak.

- **Leak was gas tested at 10mm from leak source which sent detector into LEL Over limit fault. Reset detector and also utilised a second detector for further tests.**

At 150-200mm Detector read at 74%LEL, 0 PPM H2S, 0ppm CO, 20.9% O2

Valve technician attempted to energise stem seal via packing screw on bonnet by winding it fully in, but leak would not stop.

Site team decided not to pack off the stem further as that will need to bleed the PA down, as the pressure was 2800psi. Group decided to leave site, develop further plans to replace the damaged valve.
### E) ENVIRONMENTAL INCIDENT DETAILS

<table>
<thead>
<tr>
<th>INCIDENT TYPE</th>
<th>Spill leak: N/A</th>
<th>Land clearing</th>
<th>Fire</th>
<th>Fauna fatality</th>
<th>Discharge</th>
<th>Gas Released</th>
<th>Other (Specify)</th>
</tr>
</thead>
<tbody>
<tr>
<td>VOLUME</td>
<td>&lt; 40L x</td>
<td>40 - 80L</td>
<td>&gt; 80L</td>
<td>Estimated spill volume</td>
<td>GAS Ongoing as indicated</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**E) INJURY DETAILS**
- **WAS ANYONE INJURED?** NO
- **CAUSE OF INJURY** N/A
- **TYPE OF INJURY** N/A
- **PART OF BODY INJURED** N/A
- **STATUS OF CASUALTY** N/A
- **DAYS OFF WORK** N/A

### D) HAZARDS IDENTIFICATION
- **HOW LONG HAVE YOU BEEN AWARE OF THIS HAZARD?**
  - HOURS: N/A
  - DAYS: N/A
  - WEEKS: N/A
- **DATE OCCUR?**
  - REGULARLY: N/A
  - OCCASIONALLY: N/A
  - FIRST TIME: N/A
- **NAME REPORTED TO**
  - Mark Royle
- **OPERATOR**
  - Josh Harrison
  - OCCUPATION: Operations Lead

### H) EQUIPMENT DAMAGE DETAILS
- **EQUIPMENT TYPE** Wellhead
- **EQUIPMENT NO**
- **ESTIMATED COST OF DAMAGE**
  - <$50,000: N/A
  - $50,000-$200,000: N/A
  - $200,000-$1,000,000: N/A
  - $1,000,000-$10,000,000: N/A
  - >$10,000,000: N/A
- **BRIEF DESCRIPTION OF DAMAGE** Wellhead PA valve damaged causing gas leak.

*Signature*

---

Investigation factual report

4424 - LC4424 - C - L'ESTRANGE.docx
Exhibit 15 Yulleroo 2, 7 January 2015, fence around Christmas tree
Exhibit 16 Yulleroo 2, 7 January 2015, gas reading before valve manipulation, zero hydrocarbons

Exhibit 17 Yulleroo 2, 7 January 2015, taking a gas measurement
Exhibit 18 Yulleroo 2, 7 January 2015, manipulating the annulus valve
Exhibit 19 annotated image of Yulleroo 2 Christmas tree, 7 January 2015

- Upper Master Valve
- Lower Master Valve
- Swab Valve
- Production and Kill Wing Valves

Suspected leak C-section Annulus Valve

B-section Annulus Valve
Exhibit 20 Yulleroo 2, January 7 2015, Annulus valve showing bent valve stem

Exhibit 21 Yulleroo 2, January 7 2015, annulus valve, bent valve stem
Exhibit 22 email from Mr Daniel with Preliminary Report attached

WEBSTER, Stuart

From: DANIEL, Shane
Sent: Tuesday, 13 January 2015 147 PM
To: STEWART, Jean
Cc: STIDOLPH, Ross; HAWORTH, Jeffrey; WEBSTER, Stuart
Subject: Info
Attachments: It is EXTREMELY dangerous.docx; Preliminary Report.docx

Jean,

Current progress is:

We are cooperating with WAPOL in Broome to identify the individual(s) in the images, and those that caused the damage to Buri’s site equipment, with the view to prosecuting them.

Thanks

Shane

This email has been saved as 000250.Stuart.WEBSTER.msg (Departmental Use Only). The document has been automatically registered on file PGR-SOP-WLO-0006
Exhibit 23 email 12 January 2015 from Mr Webster to Buru Energy with attached letter requesting information

WEBSTER, Stuart

From: WEBSTER, Stuart
Sent: Monday, 12 January 2015 1:06 PM
To: Eric Streitberg (Eric.Streitberg@burenergy.com)
CC: HAWORTH, Jeffrey; LA BROOY, Mark; DANIEL, Shane; STIDOLPH, Ross; WILLS, Denis; MIDDLETON, Mike
Subject: Letter to Buru regarding the Yulleroo-2 leaking valve incident
Attachments: Buru Yulleroo-2 leaking valve incident.pdf

Eric
Please find attached a pdf of a letter requesting that certain information pertaining to Yulleroo-2 be supplied to DMP. A hard copy of the letter is being mailed to the Buru office.

Regards
Stuart

Stuart Webster | Principal Petroleum Technologist
Resources, Petroleum

Department of Mines and Petroleum
100 Plain Street East Perth WA 6004
Tel: +61 8 9222 3023 | Mob: 0427 081 863 | stuart.webster@dmp.wa.gov.au
www.dmp.wa.gov.au

This email has been saved as (Addressee and Within Government Only). The document has been automatically registered on file PGR-SOP-WLO-0006
Dear Eric

YULLEROO-2 GAS RELEASE / LEAKING ANNULUS VALVE INCIDENT

In relation to a reported gas leak followed by attendance at Yulleroo-2 on 7 January 2015 by Buru personnel, a TKM representative and DMP inspectors, the DMP requires the following:

That the leaking valve be replaced as soon as possible with a new valve. The well head and all valves at Yulleroo-2 are then to be tested to ensure integrity. The well integrity is also to be inspected to assure integrity and a report of the inspection submitted to DMP.

The removed leaking valve is to be taken to TKM in Perth and a detailed inspection for damage conducted. A full report of the inspection, including photographs, is to be submitted to the DMP. Once inspected, the leaking valve is to be preserved in a secure location in case it is needed as evidence.

Buru is to supply a detailed schematic of the current Yulleroo-2 wellhead and a detailed schematic of the current configuration of the well including the status of the sliding side door (SSD) installed in the tubing string above the packer. Confirmation of the current status of the well is to be supplied – for example: whether the well is suspended or shut-in.

Buru is to provide a copy of the report issued by TKM for the most recent inspection carried out on Yulleroo-2. This is understood to be in March 2014. DMP understands that TKM routinely takes photographs at their inspections. If this is the case, copies of these photographs are to be supplied to DMP.

DMP understands that TKM carried out repairs at Yulleroo-2 on 3 May 2013 to replace a grease fitting that was leaking gas on the same annulus valve. The TKM report for this repair and any associated photographs is to be supplied to DMP. It is also understood that slickline work was done by Schlumberger on Yulleroo-2 at about the same time – May 2013. The report on this work is to be supplied to DMP.
Buru is to provide documentary evidence of all visits to the Yulleroo-2 location by Buru personnel or subcontractors since the March 2014 inspection of the well. This will include copies of any photographs taken on site along with the dates that the photographs were taken, the purpose of the visits, what the result of the visits were and the personnel involved.

Notwithstanding that the detailed inspection of the leaking valve cannot occur until the valve is removed from wellsite and taken to TKM, DMP requests that reports and documents, including photographs, addressing the above be supplied to DMP by 27 January 2015.

Yours sincerely

Jeff Haworth
Executive Director
PETROLEUM DIVISION

12 January 2015
Yulleroo 2

Work Instruction for replacement of damaged Annulus Gate valve

January 2015
### Approval details

<table>
<thead>
<tr>
<th>Approvals</th>
<th>Name</th>
<th>Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Originator</td>
<td>Mark Royle Operations Lead</td>
<td>11/01/2015</td>
<td></td>
</tr>
<tr>
<td>Reviewer</td>
<td>Cameron MacKillop Drilling Superintendent</td>
<td>11/01/2015</td>
<td></td>
</tr>
<tr>
<td>Custodian</td>
<td>Matt Stirling PIC</td>
<td></td>
<td>11/01/2015</td>
</tr>
<tr>
<td>Approver</td>
<td>Karl Robinson GM Production &amp; Development</td>
<td>11/01/2015</td>
<td></td>
</tr>
</tbody>
</table>

### Revision history

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<tr>
<th>Date</th>
<th>Revision</th>
<th>Reason for revision</th>
<th>Reviewer</th>
</tr>
</thead>
<tbody>
<tr>
<td>13/01/2015</td>
<td>B</td>
<td>Review to reflect cold venting</td>
<td>Mark Royle</td>
</tr>
</tbody>
</table>
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## 1. PROGRAM SUMMARY

### 1.1. Well Data Summary

<table>
<thead>
<tr>
<th>Well Name</th>
<th>Yulleroo 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participants</td>
<td>Baru Energy/Diamond Resources (Caming)</td>
</tr>
<tr>
<td>License</td>
<td>EP 391</td>
</tr>
<tr>
<td>Location Co-ordinates:</td>
<td></td>
</tr>
<tr>
<td>GD404</td>
<td></td>
</tr>
<tr>
<td>Latitude</td>
<td>17° 51' 35.352&quot; S</td>
</tr>
<tr>
<td>Longitude</td>
<td>122° 35' 59.200&quot; E</td>
</tr>
<tr>
<td>Well Type</td>
<td>Suspended / Gas</td>
</tr>
<tr>
<td>Ground Level</td>
<td>57.7m A.M.S.</td>
</tr>
<tr>
<td>Original RT Height from GL</td>
<td>5.7m</td>
</tr>
<tr>
<td>Total Depth [TD]</td>
<td>3,730m MDORT</td>
</tr>
<tr>
<td>Plugged Back Total Depth [PBT/TL]</td>
<td>3,355m MDORT</td>
</tr>
<tr>
<td>Original RT Casing</td>
<td>24.1m MOL</td>
</tr>
<tr>
<td>Original Drilling Rig</td>
<td>Rig #18</td>
</tr>
<tr>
<td>Original Drilling Contractor</td>
<td>Century Drilling</td>
</tr>
<tr>
<td>Conductor</td>
<td>908 mm (36&quot;)</td>
</tr>
<tr>
<td>Surface Casing</td>
<td>444 mm (13 3/8&quot;)</td>
</tr>
<tr>
<td>Intermediate Casing</td>
<td>176 mm (7&quot;)</td>
</tr>
<tr>
<td>Production Casing</td>
<td>1011 MDSL</td>
</tr>
<tr>
<td>Completion Tubing</td>
<td>2,775.4m MDORT</td>
</tr>
<tr>
<td>60mm (2 3/8&quot;)</td>
<td></td>
</tr>
<tr>
<td>Top of Cement (TOC) - 171mm (7&quot;) Casing</td>
<td>2,307m MDORT</td>
</tr>
<tr>
<td>Well Deviation/Direction</td>
<td>Deviated Well (10.35' at 2,775m MDORT)</td>
</tr>
<tr>
<td>Completion Fluid</td>
<td>NA</td>
</tr>
<tr>
<td>Date Completion Installed</td>
<td>24 June 2011</td>
</tr>
</tbody>
</table>

Table 1: Well Data
2. OPERATIONS SUMMARY AND TIME ESTIMATE

<table>
<thead>
<tr>
<th>Step</th>
<th>Operations Description — Yulleroo-2</th>
<th>Estimated Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hold RUSM  Gas test work area and well head hanger.</td>
<td>0.5 hours</td>
</tr>
<tr>
<td>2</td>
<td>Rig up choke manifold and gas blow down line from tubing and annulus to cond vent system and leak test</td>
<td>1.0 hours</td>
</tr>
<tr>
<td>3</td>
<td>Rig up BPV lubricator and pressure test</td>
<td>1.5 hours</td>
</tr>
<tr>
<td>4</td>
<td>Retrieve BPV from tubing hanger</td>
<td>0.5 hours</td>
</tr>
<tr>
<td>5</td>
<td>Bleed down Production tubing above deep set plug to 3 psi</td>
<td>1.5 hours</td>
</tr>
<tr>
<td>6</td>
<td>Bleed down Production annulus to 0 psi</td>
<td>1.5 hours</td>
</tr>
<tr>
<td>7</td>
<td>Install Side door lubricator</td>
<td>1.0 hours</td>
</tr>
<tr>
<td>8</td>
<td>Install VR plug</td>
<td>0.5 hours</td>
</tr>
<tr>
<td>9</td>
<td>Replace 2 1/16&quot; damaged gate valve</td>
<td>1.6 hours</td>
</tr>
<tr>
<td>10</td>
<td>Pressure test new 2 1/16&quot; gate valve</td>
<td>0.5 hours</td>
</tr>
<tr>
<td>11</td>
<td>Remove VR plug</td>
<td>0.5 hours</td>
</tr>
<tr>
<td>12</td>
<td>Rig down Side door lubricator</td>
<td>0.5 hours</td>
</tr>
<tr>
<td>13</td>
<td>Install TWCV</td>
<td>0.5 hours</td>
</tr>
<tr>
<td>14</td>
<td>Rig down BPV lubricator</td>
<td>0.5 hours</td>
</tr>
<tr>
<td>15</td>
<td>Pressure test Christmas tree</td>
<td>1.5 hours</td>
</tr>
<tr>
<td>16</td>
<td>Rig down gas blow down line</td>
<td>1.0 hours</td>
</tr>
<tr>
<td>17</td>
<td>Demo from site</td>
<td>1.0 hours</td>
</tr>
</tbody>
</table>

Table 2: Yulleroo-2 Operations Summary and Time Estimate

Important: Ensure that work area is clear and free access around the well head.
Site operations are to be conducted in daylight hours only.

3. TECHNICAL OBJECTIVES

- Bleed down tubing above deep set plug to test integrity of the deep set plug;
- Bleed down production annulus to confirm integrity of packer;
- Replace damaged 54.8mm (2 1/16") Production annulus gate valve;
- Install TWCV in tubing hanger;
- Pressure test Christmas tree.
4. OPERATIONAL PROCEDURES

Well status:
- Xmas tree has been installed and fully pressure tested to 34.4MPa (5.090psi);
- FX plug installed in X nipple - 2746.7m
- 5BD is closed;
- 50.8mm (2") RPV installed in tubing hanger profile;
- Production annulus pressure is expected at 19.3MPa (2.800 psi);

<table>
<thead>
<tr>
<th>Valve</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Swab Valve (SV)</td>
<td>X</td>
</tr>
<tr>
<td>Kill Wing Valve (KWV)</td>
<td>X</td>
</tr>
<tr>
<td>Pride Wing Valve (PWV)</td>
<td>X</td>
</tr>
<tr>
<td>Surface Safety Valve (SSV)</td>
<td>N/A</td>
</tr>
<tr>
<td>Production adjustable choke</td>
<td>N/A</td>
</tr>
<tr>
<td>Upper Master Valve (UMV)</td>
<td>X</td>
</tr>
<tr>
<td>Lower Master Valve (LMV)</td>
<td>X</td>
</tr>
<tr>
<td>Annulus Valve</td>
<td>X</td>
</tr>
</tbody>
</table>

Table 2: Valve Status

5. SPOT OPEN FLARE TANK, RIG UP AND PRESSURE TEST OF BLEED DOWN LINES

5.1. Hold PJSM with crew and complete PTW with Buru PIC;
5.2. Spot the Open flare tank system 25 meters away from the well head;
5.3. Hook up a 602 Tee to the upstream side of the choke manifold.
5.4. Hook up on one side of the Tee to the 54.8mm (2 1/16") FWV on Christmas tree, and the other side of the Tee to the 54.8mm (2 1/16") PA valve. Ensure whip checks across all joints;
5.5. Rig up 25 meters of 602 pipes from the outlet of the choke manifold to the inlet of the Open flare tank system. Ensure whip checks across all joints;
5.6. Pressure test entire system from upstream of the choke manifold to the inlet of the Open flare tank system to 3.4MPa (500 psi), hold for 10 minutes;
5.7. Isolate downstream of the choke manifold and the 25 meters of 602 pipework;
5.8. Pressure test upstream of the choke manifold to 20.6MPa (3000 psi), hold for 10 minutes and then bleed off through the Open flare tank system ensuring not to pressure up the downstream side as this will be open to atmosphere;
6. RIG UP OF BPV LUBRICATOR AND RETRIEVE BPV FROM TUBING HANGER

6.1. Rig up TKM Polished Rod lubricator and running box as per the TKM procedure;

6.2. Make up lubricator onto Christmas tree and Pressure test lubricator to 3.4MPa (500 psi) low / 20.6MPa (3000 psi) high against Christmas tree valves and hold for 10 minutes;

6.3. Open Christmas tree SV, UMV, LWV;

6.4. RIH and retrieve BPV from Tubing hanger;

6.5. Isolate Christmas tree UMV, SV and bleed off Polished Rod lubricator, recover BPV;

6.6. Rig up TWCV to running tool of Polished Rod lubricator;

6.7. Make up lubricator onto Christmas tree and leave till required;

7. BLEED DOWN PRODUCTION TUBING

7.1. Hold PJSM with crew;

7.2. Ensure pressure gauge is hooked up to read pressure on tubing;

7.3. Walk line to confirm that the line from downstream of the choke manifold is lined up to the Open flare tank system;

7.4. Once everything is confirmed to be in order, inform all present that a controlled bleed down of the tubing is about to commence;

7.5. Line up Christmas tree valves to the choke manifold against a fully closed choke;

7.6. Note Tubing pressure [expected to be ~ 12.4MPa (1,800 psi)] and Slowly open the adjustable choke on the choke manifold;

7.7. Continue to bleed off tubing in a controlled manner, monitoring tubing for pressure drop. Bleed off till tubing reaches 0MPa (0psi);

Note: If pressure does not bleed off, it indicates that the deep set plug is not holding. If this happens, call Perth office and prepare for Stickleline Intervention which will be carried out under a separate program.

7.8. Once tubing pressure bleeds off to 0MPa (0psi), shut in Christmas tree on FWV and monitor tubing pressure for 15 minutes.

Note: The production annulus has ~ 19.3MPa (2,800 psi) against the ssd, the above test will prove the ssd is holding pressure and will also prove that the deep set plug is integral.

7.9. Once it is confirmed that no pressure increase is observed in the tubing, the UMV and proceed to work on the annulus.
8. BLEED DOWN PRODUCTION ANNULUS

Notes: NON-ESSENTIAL PERSONNEL ARE NOT ALLOWED WITHIN CLOSE PROXIMITY OF WELLHEAD AT ANY TIME.

8.1. Hold FJSM with crew;
8.2. Install a pressure gauge on the Production annulus to monitor pressure;
8.3. Confirm line is rigged up and secured, inform all present that a controlled bleed down of the annulus is about to commence;
8.4. Line up PA valve to the choke manifold;
8.5. Utilising the adjustable choke, bleed down the Production annulus in a controlled manner into the Open flare tank system;
8.6. Once pressure bleed off to zero psi, shut in PA valve and monitor for any pressure increase;

Note: This test will prove that the production packet is integral;
8.7. Once it is confirmed that no pressure increase is observed in the Production annulus, commence with installation of Side door lubricator.

9. INSTALLATION OF SIDE DOOR LUBRICATOR

9.1. Bleed off any trapped pressure between the gate valve and the ½” NPT needle valve.
9.2. Monitor any flow or pressure build up, if pressure or flow evident, the gate valve will need to be greased and stroked to obtain a seal.
9.3. When safe, ie. no pressure or flow evident, prepare to remove the 54.8mm (2 1/16”) & f/4 outboard companion flange
9.4. Remove the 8 x 7/16” x 5 ¼” long studs and nuts, remove RX24 ring gasket, clean and inspect ring grooves;
9.5. Fit up VR plug to lubricator;
9.6. Fit new RX24 ring gasket, rig up side door lubricator and flange up;
9.7. Continue to monitor PA for any pressure increase;
9.8. If not pressure increase, carefully open the PA gate valve nut;
9.9. Run in and out the VR plug in the profile in the tubing spool, count the number of turns and ensure the VR plug is made up tight (right hand thread as per WG running procedures)
9.10. Since the annulus has no pressure, the VR plug will not be pressure tested and in this instance is used as a second barrier for removal of the damaged PA gate valve;
9.11. Retract the lubricator and close the PA gate valve;
9.12. Continue to monitor PA for any pressure increase;
9.13. Rig down the Side door lubricator;
9.14. Prepare to replace damaged 54.8mm (2 1/16”) gate valve.
10. REPLACE 54.8MM (2 1/16") PA GATE VALVE

10.1. Remove the damaged PA valve;

10.2. Clean and inspect ring groove and stud pads, replace stud pads if necessary;

10.3. Fit new RX24GS ring gasket;

10.4. Lift up and make up replacement 54.8mm (2 1/16") 5k gate valve, torque up to 196 ft/lbs;

10.5. Rig up side door lubricator assembly to the new gate valve;

10.6. Pressure test complete assembly 3.4 MPa (500psi) / 34.4 MPa (5000 psi) and shut record;

10.7. RH and tack out VR plug, counting turns;

10.8. Close PA valve and bleed off any pressure;

10.9. Fit up companion flange and needle valve and test 3.4 MPa (500psi) / 34.4 MPa (5000 psi)
for 10 minutes each and shut record;

10.10. Check Annulus pressure for any increase;

10.11. Check THP for any pressure;

10.12. Proceed to Install TWCV in the tubing hanger;

11. INSTALL TWCV AND PRESSURE TEST CHRISTMAS TREE

11.1. Ensure TKM Polished Rod lubricator fitted with TWCV is made up to the Christmas tree;

11.2. Check and ensure no build-up of tubing pressure;

11.3. Open SV, UMV, RIN and set TWCV in the tubing hanger;

11.4. Once TWCV is set, recover running tool, shut In Christmas tree SV, UMV and break out
TKM lubricator;

11.5. Inspect running tool to confirm TWCV has been set;

11.6. Hook up TKM pressure test pump and chart recorder to test the Christmas tree above
TWCV;

11.7. Test Christmas tree assembly to 3.4 MPa (500psi) / 34.4 MPa (5000 psi) high pressure
test as per TKM test procedures and hold for 10 minutes to confirm no leaks;

11.8. Once a satisfactory pressure test has been achieved, bleed down pressure ensuring no
pressure is trapped in the tree;

11.9. Rig down all equipment and secure well head and Christmas tree;

11.10. Once the job is completed, clear work location and fix back the well head fences;

Note: Place damaged gate valve in transport box and label for transport to TKM in Perth. Broome Police to
transport from wellsite to airport.
Exhibit 26 email from DMP to Buru Energy with attached letter approving work instruction

WEBSTER, Stuart

From: WEBSTER, Stuart
Sent: Thursday, 15 January 2015 12:11 PM
To: Eric Streitberg (EricStreitberg@buruenergy.com); markroyle@buruenergy.com; LA BROOY, Mark; HAWORTH, Jeffrey; DANIEL, Shane; STIDOLPH, Ross; Cameron Manifold (cameronmanifold@buruenergy.com); Karl Robinson (karlrobinson@buruenergy.com); PATEL, Sandip
Cc: 

Subject: Approval to replace the damaged annulus valve at Yulleroo-2
Attachments: Buru - Approval to replace damaged annulus valve Yulleroo-2, January 2015.pdf

Eric,

Please find attached the letter approving the replacement of the damaged/leaking annulus valve as per the Buru work instruction. Please note the requirement for a detailed inspection by TKM in Perth and for photographs to be taken at the appropriate times. A hard copy of the letter will be posted to Buru.

Regards
Stuart

Stuart Webster | Principal Petroleum Technologist
Resources, Petroleum

Department of Mines and Petroleum
100 Plain Street East Perth WA 6004
Tel: +61 8 9222 3023 | Mob: 0427 081 863 | stuart.webster@dmp.wa.gov.au
www.dmp.wa.gov.au

This email has been saved as (Addressee and Within Government Only). The document has been automatically registered on file PGR-SOP-WLO-0006
# Exhibit 29 Buru Energy daily report #3 22 January 2015, replacing damaged valve on Yulleroo 2

## Daily Activity Report

### Activity Summary

- **Activity Type:** Wellhead repairs
- **Activity Description:** Replacement of service gate valve
- **Permits:** Off-site
- **Well Activity Location:** Yulleroo 2
- **Lunch Break Days:** 2
- **Lease Contract:** Yulleroo 2
- **Well Contrator/Supervisor:** Trevor May
- **Depth Reference:** Original Drilling Rig
- **Weather and Forecast:** Max 4°C, Very Cold

### DAILY SUMMARY OF OPERATIONS - This Report Period

<table>
<thead>
<tr>
<th>Start Time</th>
<th>Finish Time</th>
<th>Duration</th>
<th>Time Code</th>
<th>Detailed Description of Operations</th>
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</thead>
<tbody>
<tr>
<td>06:45</td>
<td>12:00</td>
<td>5.75</td>
<td>01</td>
<td>Wellhead repairs; service gate valve replaced Yulleroo 2.</td>
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<tr>
<td>12:00</td>
<td>13:45</td>
<td>1.75</td>
<td>02</td>
<td>Replace damaged valve; new valve installed.</td>
</tr>
<tr>
<td>13:45</td>
<td>14:45</td>
<td>1.00</td>
<td>03</td>
<td>Wellhead repairs.</td>
</tr>
<tr>
<td>14:45</td>
<td>15:45</td>
<td>1.00</td>
<td>03</td>
<td>Continue repairs - service gate valve.</td>
</tr>
<tr>
<td>15:45</td>
<td>17:00</td>
<td>1.75</td>
<td>04</td>
<td>Replace damaged valve; new valve installed.</td>
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</tbody>
</table>

### TOTAL TIME

- **Total:** 5.75 hours

### DAILY SUMMARY OF OPERATIONS - 00:00 Midnight to 06:00 hrs

<table>
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<tr>
<th>Start Time</th>
<th>Finish Time</th>
<th>Operation</th>
<th>Time Code</th>
<th>Detailed Description of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>00:00</td>
<td>06:00</td>
<td>MPY</td>
<td>04</td>
<td>Non-operative Time</td>
</tr>
</tbody>
</table>

### Notes

- Wellhead repairs completed on site consisting of valve stack, back pack.
### HEALTH, SAFETY, SECURITY and ENVIRONMENTAL DATA

<table>
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<tr>
<th>Company</th>
<th>Name</th>
<th>Position</th>
<th>Key THR</th>
<th>Note of THR</th>
<th>Description</th>
<th>HSE Committee (Vendor File Number)</th>
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</thead>
<tbody>
<tr>
<td>Buru Energy</td>
<td>Melinda McIntosh</td>
<td>Worksite Supervisor</td>
<td>11.1%</td>
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<td>Induction Coordinator: x</td>
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<td></td>
<td>Jeremy North-Jones</td>
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<td>Nancy Strickland</td>
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<td>Rudi Reit</td>
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<td>STOP Card check: e</td>
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<td></td>
<td>Steven Liu</td>
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<td></td>
<td>Gary Smith</td>
<td>Fault Rep</td>
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<td></td>
<td>Bingana Audit:</td>
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<td>Raul Serrano</td>
<td>Cook Driver</td>
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<td>Sean Nugent</td>
<td>Security</td>
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<td></td>
<td>Chris Penning</td>
<td>Security</td>
<td>11.1%</td>
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<td>John Langton</td>
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<td>Shane Denham</td>
<td>Security</td>
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### TOTAL NUMBER OF PERSONNEL AT SITE:

- **Other:** Specify

### OPERATIONS SUPPORT and LOGISTICS

#### Equipment Arrived at Location Post 24 Hours

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<tr>
<th>Company</th>
<th>Description</th>
<th>Vehicle</th>
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<tbody>
<tr>
<td>Linacs</td>
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#### Equipment Departing at Location Pre 24 Hours

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<th>Description</th>
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### Personnel Arrived at Location Post 24 Hours

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### Personnel Departing at Location Pre 24 Hours

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### Additional Equipment Required

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### Additional Personnel Required

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<th>Point of Origin</th>
<th>Company</th>
<th>Description</th>
<th>Timing</th>
<th>Point of Origin</th>
</tr>
</thead>
</table>

### COMMENTS on RELEVANT INFORMATION

- Removal of damaged line 1510 prior valve installed by Shane Denham - Manager Critical Risk - Staging Area - Umberum Safety - Taskroom Safety

---

Daily Activities Report 1 of 2

23/01/2025

Investigation factual report

4424 - LC4424 - C - L'ESTRANGE.docx

Page 66 of 97
Exhibit 30 request from DMP for confirmation of well integrity test

From: WEBSTER, Stuart
Sent: Tuesday, 10 February 2015 2:51 PM
To: markroyle@buruenergy.com; shaunnagra@buruenergy.com
Cc: WILLS, Denis; MIDDLETON, Mike; PATEL, Sandip
Subject: Yulleroo-2 Integrity test of 7"/4.5" annulus.

Mark,

Please can you confirm that an integrity test was done on the 7"/4.5" annulus (B annulus) when the tree was tested after the annulus valve for the 4.5"/2 3/8" annulus was replaced in January? I couldn’t see in the valve replacement report that the 7"/4.5" annulus had been checked.

Regards
Stuart

Stuart Webster | Principal Petroleum Technologist
Resources, Petroleum

Department of Mines and Petroleum
100 Plain Street East Perth WA 6004
Tel: +61 8 9222 3023 | Mob: 0427 081 853 | stuart.webster@dmp.wa.gov.au
www.dmp.wa.gov.au

This email has been saved as R03483490. Records (Addressed and Within Government Only). The document has been automatically registered on file PGR-SOP-WLO-0006
Exhibit 31 Response from Buru Energy stating that the annulus was not tested

WEBSTER, Stuart

From: Mark Royle <markroyle@buruenergy.com>
Sent: Thursday, 12 February 2015 9:57 AM
To: WEBSTER, Stuart; Shaun Nagra
Cc: WILLS, Denis; MIDDLETON, Mike; PATEL, Sandip; Karl Robinson; DMP
Subject: RE: Yulleroo-2 Integrity test of 7" / 4.5" annulus

Good morning Stuart,

The Y2 program focused on the 4 1/2” tubing to 2-3/8” tubing annulus and the steps we did to check integrity were:

21 January 2015:
- Bleed down tubing pressure from 23MPa (3343psi) to 0kPa (0psi) to verify integrity of deep set plug in tubing and integrity of SSD. Monitor Annulus pressure - 20.32MPa (2947psi)
- Bleed down annulus pressure from 20.36MPa (2954psi) to 13.8kPa (2psi) to verify integrity of Production Packer set at 2745m
- Shut down to monitor pressure changes through the rig.

22 January 2015:
- Check pressures on arrival at site: THP = 0.33MPa (48psi)  ACP = 0.15 Ma (22psi). This indicates all barriers were holding
- After the new suspension tree was installed it was fully pressure tested to 34.5MPa (5000psi), these tests were charted.

Yulleroo 2 has a 7” liner in the well, so integrity of the 9-5/8” casing / 7” liner to 4.5” annulus was not checked as part of this program.

Regards,

Mark Royle
Operations Lead

Buru Energy

Level 2, 88 William Street
Perth, Western Australia 6000

Phone: +61 8 9215 1800
Fax: +61 8 9215 1899

www.buruenergy.com
Exhibit 32 email from DMP to Buru Energy requesting that the annulus be tested

WEBSTER, Stuart

From: WEBSTER, Stuart
Sent: Thursday, 12 February 2015 10:47 AM
To: Mark Royle; Shaun Nagi; WILLIS, Denis; MIDDLETON, Mike; PATEL, Sandip; Karl Robinson; DMP
Cc: WILLIS, Denis; MIDDLETON, Mike; PATEL, Sandip; Karl Robinson; DMP
Subject: RE: Yulleroo-2 Integrity test of 7'/ 4.5” annulus.

Mark,

If the 9-5/8” casing/7” liner is not tested then neither the integrity of the packer in the 7” liner isolating this annulus from the perforations nor the integrity of the 9-5/8” casing/7” liner above the packer can be confirmed. If there is zero pressure measured on this annulus then it might be said that the packer is good, but if there was a hole in the casing above the packer and packer fluid leaked out there might also be zero pressure measured.

Exactly as if the 4.5” was not in the well, there are 2 barriers isolating any gas coming out of the perfs from the formations outside the 9-5/8” casing/7” liner. i.e. 1) the packer at 2777m and 2) the 9-5/8” casing/7” liner.

Therefore this annulus should be included in any integrity test/inspection of the well. (Clause 635 (3) (a) of the Schedule does say that on an inspection all tubing and annulus pressures shall be measured.)

Regards
Stuart
Stuart Webster | Principal Petroleum Technologist | Resources, Petroleum

Department of Mines and Petroleum
Tel: +61 8 9222 3023 | Mob: 0427 081 863 | stuart.webster@dmp.wa.gov.au
www.dmp.wa.gov.au

From: Mark Royle [mailto:markroyle@buruenergy.com.au]
Sent: Thursday, 12 February 2015 9:57 AM
To: WEBSTER, Stuart; Shaun Nagi
Cc: WILLIS, Denis; MIDDLETON, Mike; PATEL, Sandip; Karl Robinson; DMP
Subject: RE: Yulleroo-2 Integrity test of 7'/ 4.5” annulus.

Good morning Stuart,

The Y2 program focused on the 4 1/2” tubing to 2-3/8” tubing annulus and the steps we did to check integrity were:

21 January 2015:
• Bleed down Tubing pressure from 23MPa (3343 psi) to 0kPa (0psi) to verify integrity of deep set plug in tubing and integrity of SSD. Monitor Annulus pressure - 20.32MPa (2947psi)
• Bleed down annulus pressure from 20.36MPa (2954psi) to 13.8kPa (2psi) to verify integrity of Production Packer set at 2746m
• Shut down to monitor pressure changes through the night.

22 January 2015:
• Check pressures on arrival at site: THP = 0.23MPa (34psi) ACP = 0.15Ma (22psi). This indicates all barriers were holding
• After the new suspension tree was installed it was fully pressure tested to 34.5MPa (5000psi). These tests were charted.
Exhibit 33 email from DMP to WA Police, Broome with attached pdfs regarding EP 391

WEBSTER, Stuart

From: WEBSTER, Stuart
Sent: Friday, 27 February 2015 8:03 AM
To: WILSON Tony [PD00757]
Subject: RE: Bun Energy Yullara 2 Incident Report

Tony,

Please find attached docs relating to the rights to explore for petroleum resources. The file EP391.pdf is the original Exploration Permit (EP391) issued to Selina Resources on 29 Jan 1995. The permit area covered a segment of grabular blocks including block #5620 which is the grabular block that Yullara 2 is located in. The title lasts for a number of years that is renewed. Each time it is renewed the titleholder retains a number of blocks he is interested in and drops off blocks he doesn’t need. The EP can change hands between different companies. Hence the Permit went to Arc, who dint Yullara 2 in 2001, and now the titleholder is Bun Energy. When a new titleholder takes over the title they take responsibility for any petroleum does that exist within the permit at the time of taking over. So Bun didn’t drill Yullara 2 but they have been responsible for it since they took over the EP.

The file Yullara 2 Applications.pdf is the application by Arc to drill the well and Yullara 2 Approvals.pdf is the drilling application signed by the Director of Petroleum and Resources Division in the Dept of Industry and Resources (now the Dept of Mines and Petroleum) as the Minister’s delegate.

The file EP391 1 February 2015.pdf is the 3rd renewal of the Title, the file EP391 29 June 2001.pdf is the 1st renewal of the title. I’ve got the 2nd renewal on 7 September 2009 which I’ll send in a separate email in C: Tony and I don’t know if you’re as restricted as us in use of emails. The permits are valid for 5 years but are still in force while an application for renewal is being assessed. Hence the R2 renewal should have run out on 7 September 2016 but because the application for the 3rd renewal had been submitted, the EP 391 EP title remains in effect in Feb 2015.

Regards,

Stuart

Stuart Webster | Principal Petroleum Technologist | Resources, Petroleum
Department of Mines and Petroleum
Tel: 138 3222 3073 | Mob: 4027 361 383 | stuart.webster@dmp.wa.gov.au
www.dmp.wa.gov.au

From: WILSON Tony [PD00757] [mailto:tony.wilson@police.wa.gov.au]
Sent: Thursday, 26 February 2015 2:24 PM
To: WEBSTER, Stuart
Subject: RE: Bun Energy Yullara 2 Incident Report.

G’day Stuart,

Those items sound right. Just need something to show the lawful occupancy of the specific area.

Thanks,

Tony WILSON | Detective Sergeant 8751 | Broome Detuctive Office | Western Australia Police | PO Box 82, Hamersley Street, Broome WA 6725 Australia | (08) 91941209 | tony.wilson@police.wa.gov.au
Dear Denis,

Subject: Response to Request for Update on Canning Basin Security

In response to your requested dated 15-Feb-15, a summary of the status of security upgrades at Buru-operated sites is detailed as follows:

- A Health, Safety, Security and Environmental and Operations risk assessment is in progress on all surface facilities operated by Buru Energy Limited in the Canning Basin;

- Implementation of enhanced security is now being conducted on a prioritized basis as follows:
  - Risk-assessed exposures of each facility;
  - Accessibility for installation of upgraded security;
  - Potential accessibility by external interest-motivated groups during the wet season.

- As a result of this assessment, the following security upgrade plans are being implemented:
  - Two (2) remote camera systems are being procured from Hidden Camera Surveillance from CILD (Company is experienced with supply of such systems in Cld CSG facilities). These systems are capable of providing 3G live surveillance downlinked into the Broome office. The systems are solar powered and have a motion sensing LED floodlight for night surveillance.
  - The first system is being deployed to Yuleroo 2 and should be operational in about 10 days.
  - The cameras will be mounted on high poles which will be within small, fenced enclosures.
  - The second system is planned to be deployed at the Erskine facility although other sites may gain more immediate priority as a result of the ongoing risk-assessment process.
  - A similar security monitoring system will be installed at Ungani as part of the facilities upgrade programme however we have 24/7 personnel stationed at location and the facility is secured behind a gated fence.
  - For facilities in areas with no 3G coverage we are reviewing motion activated cameras with recording and storage capacity, supplemented with regular security patrols.
  - Current security monitoring patrols are conducted by Noonkambah Security in the Valley area and Asgard areas and sites, Yawuru contractor, Jinch in the Yuleroo area. Negotiations are underway with Blina Station regarding provision of frequent security patrols in that area. These continuous on-ground surveys will continue after installation of remote monitoring equipment.

[By email: denis.willis@dmp.wa.gov.au]

LTP1276_Response to Security Update Request_RQ_150220
- We have completed a process of updating security signage at all current facilities.
- Supplementing these regular surveys, Buru have field operations support personnel on the ground who monitor and report on any suspicious activities, breaches to fencing or damage to assets.

Installation operations are expected to commence within the next two (2) weeks, weather and site access dependent. On completion of installation and commissioning of the Yullaroa system we will provide DMP with photos of the installation.

Where any issues are identified with potential security breaches these will be recorded as incidents under our HSSE Management System and depending on the level of breach will be reported to DMP.

Yours sincerely

Eric Streitberg
Executive Chairman
Buru Energy Limited.

Cc: Karl Robinson – Operations Manager
    George Morris – Broome Manager
    Cameron Manifold – Projects and Drilling Manager
Exhibit 35 email 10 March 2015 from TKM with attached report on valve inspection 5 February 2015

WEBSTER, Stuart

From: Trevor May <Trevor@tkmwellheadservices.com>
Sent: Tuesday, 10 March 2015 11:36 AM
To: WEBSTER, Stuart
Cc: WILLS, Denis; HAWORTH, Jeffrey; Cameron Manifold (cameronmanifold@burenergy.com); MIDDLETON, Mike
Subject: RE: TKM report on Inspection of damaged valve from Yullaroo-2
Attachments: TKM PER8000245_BURU ENERGY GATE VALVE INSPECTION rev02.xlsx

Hello Stuart, attached revised job report with conclusions from myself, signed and dated.

Tx Trevor

Trevor May

TKM Wellhead Services
3 Kihn St Malaga
WA 6090
Ph: 0892489573
Fax: 0892489574
Mob: 0427704911
www.tkmwellheadservices.com.au

From: WEBSTER, Stuart [mailto:Stuart.WEBSTER@dmp.wa.gov.au]
Sent: Tuesday, 3 March 2015 8:36 AM
To: Trevor May
Cc: WILLS, Denis; HAWORTH, Jeffrey; Cameron Manifold (cameronmanifold@burenergy.com); MIDDLETON, Mike
Subject: TKM report on Inspection of damaged valve from Yullaroo-2

Trevor,

Please could you send your report on the damaged Yullaroo-2 valve, inspected at your facility in Malaga, direct to myself and Shane Daniel. A telephone conversation between Denis Wills, Acting Executive Director, and Cameron Manifold of Buru during the last week of February 2015 has indicated that although Buru takes responsibility for paying for the valve inspection and report by TKM, Buru considers that the report should go straight to DMP to continue the chain of evidence.

Regardés

Stuart

Stuart Webster | Principal Petroleum Technologist
Resources, Petroleum
Department of Mines and Petroleum
100 Plain Street East Perth WA 6004
Tel: +61 8 9222 3023 | Mob: 0427 081 863 | stuart.webster@dmp.wa.gov.au
www.dmp.wa.gov.au

DISCLAIMER: This email, including any attachments, is intended only for use by the addressee(s) and may contain confidential and/or personal information and may also be the subject
Exhibit 36 TKM report on 5 February 2015 valve inspection

TKM Wellhead Services

**JOB REPORT: TKMPER6000245_BURU ENERGY**

<table>
<thead>
<tr>
<th>Description:</th>
<th>Part No:</th>
<th>Serial No:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 1/16 6000 psi slab gate valve (Manufacturer WKM)</td>
<td>086529-01-A01</td>
<td>793771-1</td>
</tr>
</tbody>
</table>

**Consumables Used:**
- 2L of rig wash
- Rags for cleaning and inspecting all items
- Heavy duty gloves for the use of the rig wash
- Riggers gloves for rigging and working on the gate valve

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>05-Feb-15</td>
<td>0720 hrs</td>
<td>Placed the blue locked box in bay number #2, and arranged tools and equipment for the job</td>
</tr>
<tr>
<td></td>
<td>0730 hrs</td>
<td>DMP and Buru representatives arrived on site, and signed in, DMP unlock box</td>
</tr>
<tr>
<td></td>
<td>0735 hrs</td>
<td>Remove Valve from the blue locked box and inspect the OD of the valve and take photos</td>
</tr>
<tr>
<td></td>
<td>0750 hrs</td>
<td>Rig up load rated slings to the valve, and then pick up with fork lift with jib to move into the wash bay area for high pressure cleaning and the use of rig wash</td>
</tr>
<tr>
<td></td>
<td>0800 hrs</td>
<td>The valve is visibly clean, rig up load rated signs with the fork lift and move back to bay #2</td>
</tr>
<tr>
<td></td>
<td>0805 hrs</td>
<td>Rigged up the valve for the removal of the gate assembly with load rated slings to the over head crane. Next N/D the 3/4 nuts on top of the bonnet flange assembly, and leave one nut on either side, next take the weight of the valve, then slowly remove the nuts side to side taking the weight up slowly with the crane until its free of the body of the valve, then lay the gate/bonnet flange assembly on the load rated bench in bay #2 for inspection by the DMP, Buru representatives and TKM personnel</td>
</tr>
<tr>
<td></td>
<td>0840 hrs</td>
<td>Once the DMP and Buru representatives have finished there inspections and have photograph items, remove the gate from the stem, clean and inspect the gate for any sign of damage</td>
</tr>
<tr>
<td></td>
<td>0845 hrs</td>
<td>N/D gland nut and remove the stem shaft from the bonnet assembly</td>
</tr>
<tr>
<td></td>
<td>0850 hrs</td>
<td>Stem shaft is now cleaned, Buru/DMP to conduct their inspections</td>
</tr>
<tr>
<td></td>
<td>0900 hrs</td>
<td>Once Buru/DMP have finished their inspections, place the stem shaft in the lathe in the 3 jaw chuck and live centre, using a dial indicator, check the stem shaft up to .05 mm with a dial indicator on the section of the shaft close to the chuck. Once that was completed, 0 the dial indicator to the section of the shaft that is suspected to be damaged, shaft is running .50 to .80mm out of round</td>
</tr>
<tr>
<td></td>
<td>0915 hrs</td>
<td>Rig up to remove the seats from the valve body. Due to the seat being pressed in, we were unable to remove</td>
</tr>
<tr>
<td></td>
<td>0930 hrs</td>
<td>Place the shaft in to a zip lock bag and give to the DMP, Buru representatives</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Clean up site and place all items removed into an assigned holding area</td>
</tr>
<tr>
<td></td>
<td></td>
<td>All tools and equipment have been cleaned and placed in their assigned areas in bay #2</td>
</tr>
</tbody>
</table>
Conclusions:

After disassembly and inspection, the valve appears to have been in the open position, hit from the downstream side on the stem and stem lock nut, damage was seen on the downstream seat face and the gate on the downstream face which would indicate a force was applied to the stem to push the gate into the seat, kind of like a shock or hit that made the gate bounce into the seat. The DMP took with them the gate and the stem. The stem threaded end, where the hand wheel is locked on was bent also indicating a hit or force was applied. When I personally left the wellsite after replacing the leaking greased fitting, the valve was left in the closed position, no damage to stem, we had not visited the site until the first investigation for leaking stem due to blocked access, so I am confident someone has opened and closed the valve whilst damaging the valve.

Trevor May. Owner TKM Wellhead Services

10.03.2014

Exhibit 37 examination of valve at TKM, Malaga, showing bent valve stem
Exhibit 38 bent valve stem, showing direction of impact, 5 February 2015
When valve is open, this opening aligns with the flowpath

Impact scar

When valve is closed, this portion blanks off the flowpath
Dear Denis,

Subject: Further Update on Canning Basin Security

In follow up to our initial update letter dated 20-Feb-15, listed below is a further update of the status of security upgrades at Buru operated sites:

- A Health, Safety, Security and Environmental and Operations risk assessment has been conducted on all surface facilities operated by Buru Energy Limited in the Canning Basin;
- Implementation of enhanced security has been implemented on a prioritised basis as follows:
  - Risk-assessed exposures of each facility;
  - Accessibility for installation of upgraded security;
  - Potential accessibility by external interest-motivated groups during the wet season.
- As a result of this assessment, the following security upgrade plan has now been implemented:
  - Three (3) remote camera systems have been procured from Hidden Camera Surveillance from QLD (Company is experienced with supply of such systems in Qld CSG facilities). These systems are capable of providing 3G live surveillance download into the Broome office. The systems are solar powered and have a motion sensing LED floodlight for night surveillance.
  - The first system has been deployed at the Yuleroco 2 well site and is operational.
  - The second system has been deployed at the Erskine facility and is operational.
  - The third system has been deployed at the Ungaruni Production Facility and is now operational.
  - The cameras have been mounted on high poles and CCTV signage is in place.
  - For facilities in areas with no 3G coverage we are reviewing motion activated cameras with recording and storage capacity, supplemented with regular security patrols.
  - Further installations will be conducted throughout the Basin as the system is refined.
  - Regular security patrols are in place with Noonkanbah Security in the Valhalla and Agard areas and sites, Yawuru contractor, Jinup in the Yuleroco area and with Blina Station for provision of regular security patrols for all Blina area facilities.
  - We have completed a process of updating security signage at all current facilities.

Buru Energy Limited
ABN 71 130 051 487
Level 2, 88 William Street
Perth, Western Australia 6000
PO Box 7744, Perth
Glosters Square WA 6850
Ph: +61 8 9215 1800
Fax: +61 8 9215 1809
www.buruenergy.com

Mr Denis Wills
Director Petroleum Operations
WA Department of Mines and Petroleum
100 Plain St, East Perth
WA, 6003

[By email: denis.wills@dmw.wa.gov.au]
Supplementing these regular surveys, Buru have field operations support personnel on the ground who monitor and report on any suspicious activities, breaches to fencing or damage to assets. Attached are still photos downloaded Tuesday from the 24/7 monitoring at each facility.

Where any issues are identified with potential security breaches these will be recorded as incidents under our HSSE Management System and depending on the level of breach will be reported to DMP and Western Australian Police.

Yours sincerely

Eric Streitberg
Executive Chairman
Buru Energy Limited.

Cc: Karl Robinson – Operations Manager
    George Morris – Broome Manager
    Cameron Manifold – Projects and Drilling Manager
    Ray Briggs – WAPOL superintendent, Kimberley District Office
Exhibit 42 Transport doc to take C section annulus valve from TKM to Carlisle Core Library

REQUEST FOR TRANSPORT

TOM Reference: TOM_R7F_70S_Buru
Mode of Transport: Road
Pickup Address: TKM Wellhead Services
3 Kil Street
Melago
WA 6090

Date: 30 April 2015
Customer Reference: DMP
Delivery Address: Hills at Carlisle

Contact Name: Damian Abbott
Contact Phone: 042885753. 0402700635

<table>
<thead>
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<th>Item</th>
<th>Qty</th>
<th>Part #</th>
<th>Description</th>
<th>Weight (kg)</th>
<th>Dimensions (mm)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td></td>
<td>2&quot; Slv valve from Fulcrum 2</td>
<td>40</td>
<td>600 x 600 x 800</td>
<td></td>
</tr>
</tbody>
</table>

Total Weight (kg): 40

Comments:
Exhibit 43 Annulus valve body in box at TKM, Malaga, 23 April 2015
Exhibit 44 tag on valve body, affixed by Mr Daniel at Yulleroo 2 on 22 January 2015
Exhibit 45 old bit box used to store the annulus valve body

Exhibit 46 bit box with annulus valve inside being placed in truck for transportation to Carlisle
Exhibit 47 Transport truck next to ISB container at Carlisle Core Library

Exhibit 48 box with valve body in sea container; valve gate and stem in package on top, 23 April 2015
Exhibit 49 closer view of the package containing valve gate and stem 23 April 2015

Exhibit 50 ISB secure container at Carlisle Core Library
Exhibit 51 2008, approval to drill Yulleroo 2

Out ref: H00314200701
Enquiries: Enzo Fabbe - Ph 6222 3186

ARC Energy Ltd
PO Box 574
West Perth WA 6872

Attention: Megan Wesnian

Dear Megan

APPLICATION TO DRILL YULLEROO 2 WITHIN EXPLORATION PERMIT EP351

Thank you for the above application dated 29 November 2007. I wish to advise that approval under the Petroleum Act 1967 to drill this well is granted to the permittee subject to:

1. adherence to the Environmental Management Plan (EMP) titled “Yulleroo 2 Drilling Operation Environmental Management Plan (HSE-E-057 Rev.B)” accepted 5 September 2007;

2. the Operator is required to submit to the Director one copy of the daily tour report for each day’s operation from the commencement of operations until rig release. The reports are to be submitted on a two weekly basis or as otherwise directed; and

3. all reporting for the project being in metric S.I. units.

It is necessary for you to specify the datum of your co-ordinates for well locations when submitting drilling reports.

Yours faithfully

W Tinapple
DIRECTOR PETROLEUM AND ROYALTIES DIVISION

January 2008
Exhibit 52 Instrument renewing the title for EP 391; Yulleroo 2 is in graticule block 6620

STATE OF WESTERN AUSTRALIA
PETROLEUM AND GEOTHERMAL ENERGY RESOURCES ACT 1967
Section 42(6)
RENEWAL OF PETROLEUM EXPLORATION PERMIT EP 391

I, JEFFERY HUNTLEY HAWORTH, Executive Director, Petroleum Division of the Department of Mines and Petroleum under delegation from the Minister for Mines and Petroleum, pursuant to section 42(6) of the Petroleum and Geothermal Energy Resources Act 1967, in response to the acceptance of the offer STP-EPR-0032, grant the renewal of the petroleum exploration permit in respect of the blocks described hereunder to:

BURU ENERGY LIMITED
ABN 71 130 681 437

DIAMOND RESOURCES (FITZROY) PTY LTD
ABN 71 145 113 177

This petroleum exploration permit will remain in force for a period of five (5) years commencing on 1 February 2015.

The grant is subject to the conditions set out hereunder and to the permittee at all times complying with the provisions of the Act and of any regulations for the time being in force under the Act and all directions given to him under the Act.
DESCRIPTIONS OF BLOCKS

(The references hereunder are to the names of map sheets of the 1:1,000,000 series published by the Minister and to the numbers of graticular sections shown thereon.)

BROOME MAP SHEET SE51

<table>
<thead>
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<th>Block</th>
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<th>Block</th>
</tr>
</thead>
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<tr>
<td>7200</td>
<td>7268</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The permit area is assessed to contain 30 blocks
CONDITIONS

1. (1) Subject to sub-clause (2), during a year of the term of the permit set out in the first column of the following table, the permittee:

   (a) shall carry out in or in relation to the permit area, to a standard acceptable to the Minister, the work specified in the minimum work requirements set out opposite that year in the fourth column of the table;

   (b) may at the discretion of the Minister carry out in or in relation to the permit area, to a standard acceptable to the Minister, all or part of the work specified in the minimum work requirements of a subsequent year or years of that term set out opposite that year or those years in the fourth column of the table; and

   (c) may carry out in or in relation to the permit area, to a standard acceptable to the Minister, work in addition to the work specified in the minimum work requirements set out opposite that year and in the subsequent year or years, if any, of that term in the fourth column of the table.

(2) The permittee shall not commence any works or petroleum exploration operations in the permit area except with and in accordance with the approval in writing of the Minister.
<table>
<thead>
<tr>
<th>Year of Term</th>
<th>Title Year Start</th>
<th>Title Year End</th>
<th>Minimum Work Requirements</th>
<th>Estimated Expenditure Constant dollars (indicative only) $A</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>01/02/2015</td>
<td>31/01/2016</td>
<td>220 km² 3D Seismic Interpretation</td>
<td>200,000</td>
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<tr>
<td>1</td>
<td>01/02/2015</td>
<td>31/01/2016</td>
<td>130 km² 3D Seismic Reprocessing</td>
<td>200,000</td>
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<tr>
<td>1</td>
<td>01/02/2015</td>
<td>31/01/2016</td>
<td>Geological and Geophysical Studies</td>
<td>350,000</td>
</tr>
<tr>
<td>2</td>
<td>01/02/2016</td>
<td>31/01/2017</td>
<td>800 km Aero Gravity Survey</td>
<td>300,000</td>
</tr>
<tr>
<td>2</td>
<td>01/02/2016</td>
<td>31/01/2017</td>
<td>Geological and Geophysical Studies</td>
<td>350,000</td>
</tr>
<tr>
<td>3</td>
<td>01/02/2017</td>
<td>31/01/2018</td>
<td>One (1) Exploration Well</td>
<td>6,000,000</td>
</tr>
<tr>
<td>4</td>
<td>01/02/2018</td>
<td>31/01/2019</td>
<td>Geological and Geophysical Studies</td>
<td>350,000</td>
</tr>
<tr>
<td>5</td>
<td>01/02/2018</td>
<td>31/01/2020</td>
<td>One (1) Exploration Well</td>
<td>6,000,000</td>
</tr>
</tbody>
</table>

**INTERPRETATION**

In this permit:
"the Act" means the Petroleum and Geothermal Energy Resources Act 1967 and includes any Act with which that Act is incorporated and words used in this notice have the same respective meanings as in the Act;
"Minister" means the Minister for Mines and Petroleum or the Executive Director, Petroleum Division as his duly appointed delegate.

Dated at Perth this 7th day of January 2015.
Made under the Petroleum and Geothermal Energy Resources Act 1967 of the State of Western Australia.

J HAWORTH
EXECUTIVE DIRECTOR
PETROLEUM DIVISION
DEPARTMENT OF MINES AND PETROLEUM
ENDORSEMENTS

1. In addition to any specific conditions that are endorsed on this permit, the holder in exercising the rights granted herein must first ensure that all necessary consents and permissions have been obtained and applicable compensation has been agreed to or determined and that consultation has occurred where the lawful rights of other land users and occupiers are concerned so that the activities of those other land users and occupiers are not interfered with to a greater extent than is necessary for the reasonable exercise of the rights and performance of the duties of the holder of this petroleum exploration permit.

2. The permittee’s attention is drawn to the provisions of Division 3A of the Act which provides for petroleum and geothermal titles to subsist in respect to the same blocks.

3. The permittee’s attention is drawn to the provisions of the Aboriginal Heritage Act 1972.
STATE OF WESTERN AUSTRALIA

PETROLEUM AND GEOTHERMAL ENERGY RESOURCES ACT 1967
Section 42(6)

RENEWAL OF PETROLEUM EXPLORATION PERMIT EP 391

JEFFREY HUNTLEY
I, JEFFREY HUNTLEY HAWORTH, Executive Director, Petroleum Division of
the Department of Mines and Petroleum under delegation from the Minister for
Mines and Petroleum, pursuant to section 42(6) of the Petroleum and
Geothermal Energy Resources Act 1967, in response to the acceptance of the
offer STP-EPR-0032, grant the renewal of the petroleum exploration permit in
respect of the blocks described hereunder to:

BURU ENERGY LIMITED
ABN 71 130 651 437

DIAMOND RESOURCES (FITZROY) PTY LTD
ABN 71 145 113 177

This petroleum exploration permit will remain in force for a period of five (5)
years commencing on 1 February 2015.

The grant is subject to the conditions set out hereunder and to the permittee at
all times complying with the provisions of the Act and of any regulations for the
time being in force under the Act and all directions given to him under the Act.

* CLERICAL ERROR CORRECTED IN ACCORDANCE WITH
SECTION 81A (6) OF THE PETROLEUM AND GEOTHERMAL
ENERGY RESOURCES ACT 1967.

Alyssa Carstairs, Titles Coordinator
10/06/2015
Exhibit 54 Preliminary report on January 7 2015 Yulleroo 2 site visit by Mr Daniel of DMP

Preliminary Report

Buru Energy Yulleroo 2 Site – Possible Hydrocarbon Release

After receiving unconfirmed evidence that there was possibly a HC release at Buru Energy Yulleroo 2 site, the Department of Mines and Petroleum sent 2 persons (Shane Daniel – Manager Critical Risk and Stuart Webster – Principal Petroleum Technologist) to site in accompaniment with Buru Energy personnel and contractors.

Access to site was prevented initially by protestors. Access was available approximately 2 hours after Police were called (shortly before the police arrived).

Weather conditions were poor being heavily overcast, constant moderate rain, and approximately 10 - 15 knot wind. The access track was extremely wet and slippery, and continuing rain making the conditions degrade. This limited our available time on site.

On arrival at site, an initial visual inspection was conducted. The site appeared secure. The actual well head compound was also secure, with padlocks in place, and no sign of major forced entry obvious. One section of the barbed wire running around the top of the compound appeared to be slack, indicating a possible entry had occurred.

No tracks or footprints (other than ours) were visible.

This raises questions as to how the supposed evidence of a HC leak (with photo of HC reading on an unconfirmed gas detector) was made.

After an external visual inspection was completed, HC gas detection samples were taken around the perimeter of the compound. No HC levels were detected.

The compound was unlocked by Buru personnel, and they entered the compound continuously taking HC gas detection samples. There were no HC levels detected.

All valves in the tree had the valve wheels removed previously (by Buru as part of their SOP).

The Buru contractor (valve specialist – TKM [Trevor May] – inspected the valve configuration from the last known left state.

The swab valve on top of the tree that had previously been left in the closed position was found open. The swab valve was then closed.

The C section annulus valve that had previously been left in the closed position was found to be in an intermediate position. When this was closed, an escape of gas could be heard. A HC gas sample was taken at this time approximately 10 cm from the suspected point of release – the packing around the valve stem. A reading of 7% was measured.

The annulus valve was exercised to attempt to better identify the leak, and to successfully close the valve. The valve when in the fully closed position was still leaking from the shaft packing.

Whilst rotating the valve shaft, it could be clearly seen that the valve shaft had been bent as the end of the shaft traced a circular path approximately 3 cm in diameter. On close inspection, evidence of an impact on the end of the shaft could be seen. The impact required to create this impact mark and bend the valve shaft (approx. 20mm diameter steel) would have been significant, and it is considered likely that it was a deliberate action by party/parties unknown.

This bent shaft is the probable cause of the leak, with the packing being ineffective due to the eccentricity of the shaft.
HC level readings taken during the operation of the annulus valve varied, as would be expected from this type of operation, however at no time did they approach the approx. 4500ppm indicated on the photo received by the DMP.

The annulus valve was tightened as best as possible – still with a slight leak, which is expected to minimise and be eliminated as the packing naturally contracts around the shafts position as left.

The site was secured, and all personnel left site.

Of note is that the two grease fittings on this valve were both replaced on 03rd May 2013, after a release of gas through one of the grease fittings. At that time the valve was pressure tested to 2500psi and certified fit for service.

Buru Energy is planning to replace the damaged valve as soon as is practicable, and will provide a detailed plan and timeframe to the DMP by close-of-business Thursday 08th January 2015. Poor weather conditions may affect the implementation of the plan.

Once the valve has been removed from service, it will be examined and a report will be provided to the DMP, providing detailed descriptions of the impact area and the bent shaft.

Points to consider:

How and when was the initial reading in the photo submitted to the DMP taken? Illegal access to a Petroleum site must have been obtained by person/persons unknown.

Did the individual taking that photo know of the significant risk they were in in doing so? With non-intrinsically safe equipment in a possible HC explosive atmosphere.

How did the damage to the valve shaft occur?

Who was responsible for the damage? Buru have been advised to raise the matter with the Police to investigate further.