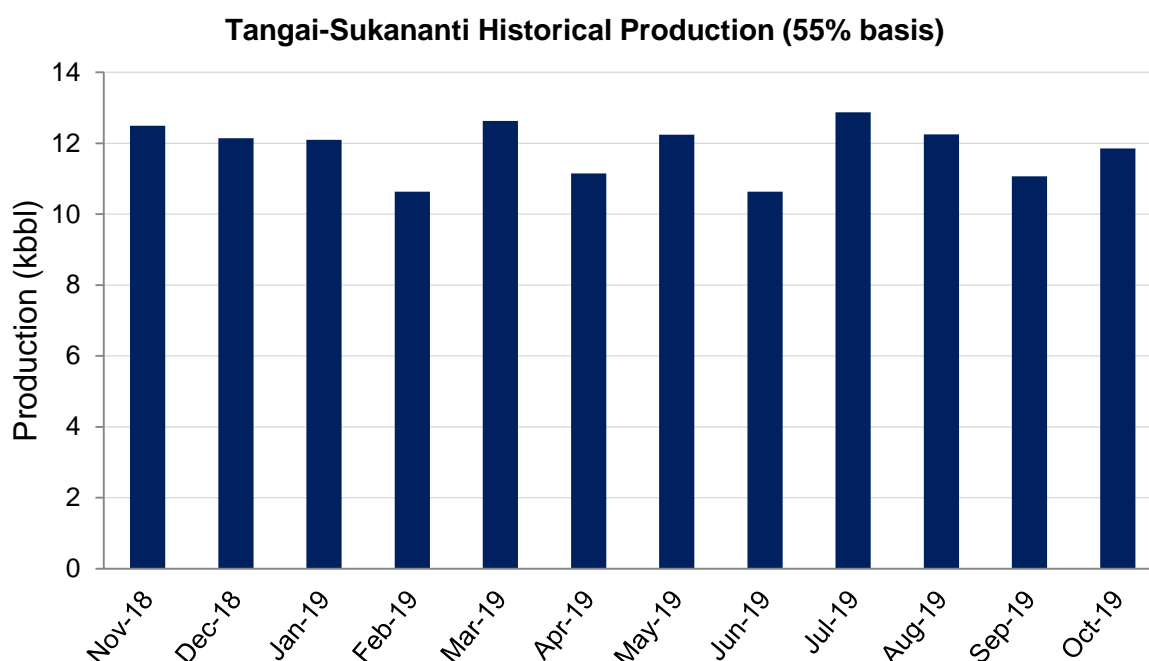


## Onshore Indonesian Oil Operations Update – October 2019

### Highlights

- Monthly production in October averaged 695 bopd JV share up 7%
- October production totalled 21,552 barrels of oil JV share or 11,854 barrels net to Bass
- October oil sales totalled 21,607 barrels of oil JV Share or 11,884 barrels net to Bass
- Monthly average oil price was US\$58.77 per barrel
- Bunian 5 was drilled and intersected the two high quality primary targets, the TRM3 and K sandstone oil reservoirs
- Bunian 5 commenced production on test from the TRM 3 sandstone, recording over 1,100 barrels of oil per day and has been producing an average of 500 bopd whilst restricted on a controlled test
- This result confirms that Bunian-5 is expected to double overall production from the Bunian field
- Current field production rate averaging 1,000 bopd with Bunian 5 production restricted whilst both zones are undergoing initial production testing
- High impact business development opportunities under advanced evaluation

### Monthly Production and Sales:



Australian-based, Indonesian oil producer, Bass Oil Limited (ASX:BAS) is pleased to provide its monthly operations update for October 2019. Total field production for the month was 21,552 barrels of oil JV

Share or 11,854 barrels of oil Bass share. October oil sales totalled 21,607 barrels of oil JV Share or 11,884 barrels Bass share. Monthly average oil production for October was 695 bopd up 7% over September.

The average monthly realised oil price for October was US\$58.77 compared with a monthly average oil price of US\$60.13 per barrel recorded in September. The fields continue to generate positive cash contributions to the business with field operating costs at ~US\$20 per barrel.

## **Production Operations**

Field production increased 7% in October over September levels with the wells recording minimal downtime. The production facility has been under going some modifications to allow for the anticipated increase in production from the Bunian 5 well which is now on line whilst undergoing a production test. The field is currently producing. Processing and exporting an average of 1,000 bopd while the Bunian 5 well remains on test.

The team in Indonesia has sourced and contracted a workover rig to perform the remaining well work, which includes the Tangai 3 pump repair, the Bunian 4 workover and the Tangai 4 conversion to water injector. This commencement of this work has been delayed to accommodate the drilling of the Bunian 5 well. The workover program will commence as soon as possible following the completion of testing of the Bunian 5 well.

## **Development**

Bass mobilised the PDSI Rig 20.2/EMSCO/D2-M to the field in early September. The Bunian 5 well was drilled and completed through the month of October. The well was completed as an oil producer from both primary targets – the K1 Sandstone and the TRM3SS Sandstone.

The well commenced production testing from the TRM 3 sandstone, one of the two productive oil reservoirs in the well. During the first 12 hours the well averaged 1,128 barrels of oil per day with a two percent water cut, on a fully open choke with a flowing wellhead pressure of 140 psi. Since then the well has been choked back to 32/64" for the testing program and has been averaging production of 500 bopd at 2% water cut and a flowing wellhead pressure of 260 psi.

Following completion of the testing of the TRM 3 zone the K sandstone reservoir will be tested. All oil produced from the test is being trucked and sold along with all other oil produced from Tangai Sukananti.

This result confirms that the Bunian-5 well is expected to double overall production from the Bunian Field.

## **Business Development**

Bass continues to evaluate and negotiate on a number of onshore and offshore Indonesian opportunities, as the Company looks to add additional prospective oil properties to its portfolio during 2019. The active business development program has a three-tiered strategy designed to create and maximise value through:

1. company transforming acquisitions,
2. material growth exploration opportunities, and
3. optimisation of existing mature fields through the application of proven technologies.

Within Indonesia, there are a number of very high impact oil and gas projects that fall into each of these categories that Bass is in an excellent position to be able to acquire. Bass expects that a combination of these business development opportunities would firmly place the Company in the mid-tier/junior ASX listed oil and gas producer sector, i.e. 2,000-5,000 boepd.

After several years of successful proven Indonesian operatorship, Bass is highly regarded in-country and has formed deep and strong relationships with local operators and is well known by the Indonesian upstream

oil and gas regulator. All of these factors place Bass in an ideal position to successfully execute on this strategy and the Company looks forward to updating the market on these developments as appropriate.

**For further information please contact:**

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**About Bass Oil Limited:**

Bass Oil Limited (ASX:BAS) ([www.bassoil.com.au](http://www.bassoil.com.au)) is an ASX-listed exploration and production company featuring low cost onshore oil production in Indonesia and a management and Board team with a proven track record in delivering shareholder value. Bass has realigned its corporate strategy following the landmark acquisition of a 55% interest in the Tangai-Sukananti KSO producing assets located in the prolific oil & gas region of South Sumatra, Indonesia.

As at September 2019, the Tangai-Sukananti KSO was producing on average 671 bopd from 4 wells (100% JV share). Bass reports Net Entitlement 2P Oil Reserves of 0.602 million. Bass is building towards a substantial onshore Indonesian oil & gas business with a clear focus on executing opportunities in South Sumatra as they present. Bass has a strong and committed shareholder base with Board and management holding in excess of 16% of issued capital.

