

ASX ANNOUNCEMENT

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ASX:TAP

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Additional Manora 2020 Development Well

Highlights:

- Operator, Mubadala Petroleum, and the Tap Board have approved the drilling of an additional Development well, expanding the current 2020 development drilling program to four new development wells.
- The well, MNA-28, will be drilled with the Valaris 115 rig following current well completion activities.
- MNA-28 is targeted to enhance production and ultimate recovery from the prolific 490-60 reservoir in Manora's eastern fault block. The well is expected to spud in Mid-June 2020.
- The current drilling program is ahead of schedule, under budget and initial indications show the wells are on prognosis to deliver the forecast 3,600 bopd of initial incremental production beginning July 2020.
- MNA-28, originally scheduled as a 2021 development well, is being brought forward for operational and commercial efficiency reasons and is forecast by Operator, Mubadala Petroleum, to add additional an initial 1,600 bopd to Manora production.
- The estimated additional cost to drill and complete the well is US\$3.0 million (US\$0.9 million net to Tap).

Tap Oil Limited (**Tap** or the **Company**) is pleased to provide updated information in relation to the ongoing Manora 2020 development drilling campaign using the Valaris 115 jack-up drilling rig.

Following commercial evaluation and technical assessment including reservoir modelling, the Operator, Mubadala Petroleum, and Tap have agreed ongoing production optimisation will be enhanced by an additional well in the highly productive 490-60 sands of the Manora's Eastern Fault Block.

The decision follows positive initial results of the first three wells of the 2020 program which is currently under budget and ahead of schedule. Tap will make a full release on the results of the drilling program once all data is at hand and the wells have commenced production.

Details of the proposed additional development well are:

MNA-28 Development Well

MNA-28 well to be drilled from a new platform slot and is designed to add an additional drainage point in the thick oil bearing 490-60 sand in the highly productive Eastern Fault Block of the Manora Oil Field. The well is justified by reservoir simulation of the main 490-60 reservoir

as it will both accelerate production and produce otherwise undrained oil between the MNA18 and MNA- 20 wells.

The well will be drilled as a deviated well to a maximum measured depth of 2,102.5 metres and be completed in the 490-60 reservoir. Gross estimated drilled and completed cost is US\$3.0 million (US\$0.9 million net to Tap).

The Operator's estimated initial production rate is approximately 1,600 bopd.

Tap's Executive Chairman, Mr Chris Newton said "The excellent performance of the Mubadala Petroleum drilling team utilising the Valaris 115 jackup drilling rig presented the opportunity with the rig already on location to accelerate the drilling of this previously scheduled 2021 development well. Acceleration is a compelling proposition from a production optimisation, cost efficiency, flexibility and economic perspective and leverages off the ongoing continuous improvement in Manora drilling cost performance."

Authorised by the Board of Tap Oil Limited

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