

Arkanova Energy Corporation Increases Injection Capacity

For the purpose of increasing the injection capacity of the waterflood, Provident Energy of Montana, LLC, a wholly owned subsidiary of Arkanova Energy Corporation, adds a water source well, an additional injection pump and three additional injection wells to the waterflood operations on the company's Montana lease acreage, the Two Medicine Cut Bank Sand Unit (TMCBSU).



Installation of ESP in well 5991

Austin, TX- August 28, 2015- Arkanova Energy Corporation (OTCBB: AKVA) ("Arkanova Energy") re-activated waterflood operations in the Two Medicine Cut Bank Sand Unit in August 2014 by installing an injection plant and converting horizontal well Tribal Max #1-2817 into an injector. In March 2015, subsidiary Provident Energy of Montana installed an Electronic Submersible Pump (ESP) in well 5991 as a programmable source of injection water from the deeper Madison formation. In May 2015, Provident Energy added a larger high-pressure positive-displacement pump in the injection plant, designed to work in unison with the existing pumps. Upon fulfilling all permitting and testing requirements, Provident also completed the conversion of three production wells into water injectors. In August 2015, all three wells were approved and activated, doubling the rate of water injection for the field.

The new injection pump adds more than 1000 barrels per day (bpd) at 2500psi to the injection capacity of Provident Energy's injection plant. The pumps are controlled by a SPOC variable speed drive that is programmed to automatically maintain an optimal injection rate to the injection wells. The ESP in the source well is likewise programmed to monitor the supply of injection water so that the plant can constantly pump without ever shutting down. Provident Energy intends to re-pressure the oil-bearing Cut Bank formation with water supplied from the Madison formation via this ESP source well.

With horizontal well Tribal Max #1-2817 injecting into the western portion of the field, Provident Energy targeted additional injection wells in the northern and eastern quadrants. To increase oil contact in the reservoir, Provident Energy utilized three strategic existing producers by converting them into injection wells. More than 4.5 miles of 2" and 3" fiberglass pipeline was laid by Alme construction to deliver water safely and efficiently to the new injection wells. These new injection wells allow Provident Energy to re-pressure the Cut Bank formation twice as quickly, while maintaining an optimal push well below pipeline and formation fracture limits.



Laying of North Lateral Pipeline

Provident Energy plans to continue evaluating potential new injection wells to maximize the success of the waterflood re-activation. The field response from the waterflood is being closely monitored, and all surface equipment evaluated in preparation for an ideal waterflood pressure response.

About Arkanova Energy Corporation

Arkanova Energy is an exploration and junior production company engaged in the acquisition, exploration, and development of oil and gas properties. The company has secured working interest in Montana. The company relies on experience, science and proven growth strategies in order to continuously balance a risk/reward portfolio. For more information, please visit www.arkanovaenergy.com.

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