



Company Announcements
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
Sydney NSW 2000
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ASX Announcement

**HEINTSCHEL #2 WELL:
ANOTHER POTENTIAL PRODUCER
(ASX: BUR)**

Burleson Energy Limited (**BUR**) is pleased to advise that preliminary electric logging of the Heintschel #2 well has been completed and has confirmed the presence of hydrocarbons in the target Prairie Bell sands as well as additional potential in sands located lower in the bore hole.

Further analysis is continuing but the logs indicate a significant hydrocarbon column in the primary Prairie Bell reservoir zones which is in line with pre-drill expectations, as well as a number of sands of interest below the main reservoir sand package. There were no gas water contacts encountered in Heintschel #2

The Heintschel #2 well will now be completed for production

Heintschel #2 was drilled to a final total depth of 11,900 feet (~3627 metres). The well is part of an appraisal program of the Heintschel field, which was discovered by Burleson and its partners in Colorado County, Texas, in 2010. Gas shows were recorded while drilling the primary Prairie Bell reservoir section of the well and the main shows appear to correlate to gas condensate charged reservoir sands in the Heintschel #1 discovery well some 1,200 feet (366 metres) to the northeast.

The Heintschel #2 well is predominantly an appraisal well targeting the main gas condensate sands encountered in the Heintschel #1 discovery well but in a structurally higher (updip) location. Being a close offset to the initial discovery well also provides a development component aimed at securing valuable additional production and cash flow along with progressing potential resource and reserve assessment within the field.

Heintschel #2 is the third well to be drilled on the broader Heintschel structure. It follows the recently drilled D. Truchard #1 well currently awaiting fracturing and a tie in to a sales pipeline. Given the success with Heintschel #2 it is now planned to undertake fracture stimulation (fracking) of the two wells back-to-back on or around 24/25 January, and bring both wells on production shortly thereafter.

The Joann #1 well, discovered in July 2010 is also expected to be brought on production by the end of January. One of four prospective zones identified by logging in Joann #1 was perforated and flowed gas at 2.1 million cubic feet of gas per day and approximately 38 barrels of condensate per day.

Assuming all these new wells are successfully brought on line it would bring the number of wells on production in the Colorado County 3D project area to five.

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Further drilling updates will be provided on a weekly basis or more regularly in the event that material information arises that requires disclosure.

Heintschel Field Interests:

Burleson Energy (ASX: BUR) 38.0%

New Standard Energy (ASX: NSE) 32.5%

AKG and Associates (AKG) 29.5%

Mike Sandy

Managing Director

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Competent Person Statement:

The information in this report that relates to oil and gas exploration results and hydrocarbon resources is based on information verified by Mr Michael Sandy (BSc(Hons) Melbourne University), who is a petroleum geologist. Mr Sandy is a Director of, and consultant to, the Company. Mr Sandy has more than thirty years experience in this discipline and he consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.