



30th January 2015

Company Announcements
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

ASX Code: BUR

Quarterly Activities Report

Qtr ending 31st December 2014

The Board of Burlison Energy Limited (BUR) is pleased to provide the following update on the activities of the Company in the quarter ending 31st December 2015.

Activity Overview

- Truchard #3 well (T#3) brought onto production
- Farm-out / sale of BUR interest in the Heintschel field process commenced. (ref ASX release of 8th July 2014).
- Farm-out / sale of BUR interests in 1K3D project underway.
- Cash in bank at end of the quarter is \$A686k – after paying for BUR's 50% share (Working Interest) of the T3 well.

Truchard #3 (T3) well

The T#3 well was brought onto production on the 24th December 2014 and has since been producing at an average rate of 1125 mcf/d,(gas) and 21.5 bpd (condensate). The well was originally spudded and commenced drilling on Wednesday 23rd July and reached the Total Depth of 11,750 feet (3,581m) on 13th August 2014.

The well is a vertical development well that successfully targeted an anomaly identified by Burlison's technical team, AKG, within the Heintschel field, being in the lowermost Wilcox Prairie Bell 01 reservoir sand.

Notwithstanding the recent fall in oil and gas prices over the last quarter, the well is clearly a commercial success, justifying the decision to drill. Had oil and gas prices remained at the levels they were when the well was spudded, this well would have had a payback period of between 6 and 7 months vis-à-vis an expected payback period of circa 13 months at current prices.

BUR's working interest in the well is 50% and it has a 39.19% net revenue interest with a 1.13% overriding royalty interest in the well.

+ See chapter 19 for defined terms.

Overheads

In light of the fall in energy prices, the Company has reduced its overheads and is seeking to cut costs further as and when it is able.

BUR's technical team, AKG are on a reduced monthly retainer of USD \$10,000 per month whilst the Heintschel field and 1K3d projects are sold or farmed out and this arrangement is reviewed on a month by month basis.

Moving forward

Whilst energy prices are low, the Board is of the view that the entry prices for new projects are also suppressed. Accordingly, the Company's strategy is to release value from its existing production assets, most likely via a sale, in order to generate the funding to enable it to secure and explore new exploration assets.

Quarterly Production

Gross Total Production for the quarter ended 31st December 2015 from each of the 6 wells in which Burleson has an interest is summarised in the table below.

Well	Gas		Condensate		Production Days	
	Net mcf	Avg mcf p.d.	Total bbls	Avg bbls p.d	Non-Producing	Producing
Joann #1	3,604	40	295	3	1	91
D Truchard #1	146	24	0	0	86	6
Heintschel #1	34	0	192	2	0	92
Heintschel #2	11,293	123	302	3	0	92
Truchard #2H	79,839	867	1,849	20	0	92
Truchard #3	7,547	943	166	21	0	8
Totals for Qtr	102,463		2,804			

Corporate Activities

The Company has ceased acquisition of further leases over its 1K3D projects and all further exploration activities for the time being until another commercially viable opportunity is identified.

Producing Wells

There was no change to Burleson's ownership interests in its producing wells during the December 2015 quarter.

Working Interests

As at 31st December 2014, Burleson held the following ownership (working) interests in five producing oil and gas wells in South Texas, USA (**no changes in the Quarter**):

Well Ownership Percentages	As at 31 st December 2014
Joann #1	39.4%
Heintschel #1	38.0%
Heintschel #2	38.0%
D. Truchard #1	38.0%
Truchard #2H	50.0%

Cash at hand

As at 31st December 2014, the Company had approximately \$A686k in the bank, after paying for its full interests in the T3 well.

Gross & Net Acreage

Burleson holds oil and gas lease rights which are negotiated with individual land owners in the areas it operates, being South Texas. Individual lease rights are acquired, renewed or relinquished regularly and in the ordinary course of business. As at 31st December 2014, Burleson's gross and net acres under lease 31st December 2014) and are as follows:

	As at 31 st Dec 2014	
Gross Acres	3,850	down 471
Net Acres	1,881	down 238
Burleson's Average Interest	49.0%	

New Farm-in / Farm-out agreements

During the December 2014 quarter Burleson did not enter into any farm-in or farm-out agreements.

For further information please contact:

Andrew Bald, CEO

Phone: +61 2 8252 6177

www.burlesonenergy/td.com

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 and a member of the American Association of Petroleum Geologists (AAPG). Mr Sandy is a Director of, and consultant to, the Company. Mr Sandy has more than thirty five 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.

Appendix 5B

Mining exploration entity quarterly report

+ See chapter 19 for defined terms.

30/9/2001