



April 29, 2015

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

ASX Code: BUR

Quarterly Activities Report

Qtr ending 31st March 2015

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

Activity Overview

- Truchard #3 well (T#3) has solid quarter of production.
- Farm-out / sale process of BUR interest in the Heintschel field and 1K3D project continues.
- BUR actively seeking new projects to enhance corporate value.
- Cash in bank at end of the quarter is \$A537k.
- In light of cash position, corporate overhead has been further reduced.

Truchard #3 (T3) well

The T#3 well was brought onto production on the 24th December 2014. 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 Burleson's technical team, AKG, within the Heintschel field, being in the lowermost Wilcox Prairie Bell 01 reservoir sand.

During the March quarter the T#3 well experienced solid production, with an average production rate of 825mcf per day of gas and 15bpd of condensate. However, due to the material decline in oil and natural gas prices in the United States, the cash flow generation from the T#3 well has been disappointing.

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.

Overheads

In light of the fall in energy prices, the Company has reviewed its cost base and decided to make further reductions to its overheads to preserve as much cash in the Company as possible. BUR advises that as of 1 May 2015, BUR's technical team, AKG, and each executive and executive director of the company will no longer be on a fixed retainer but will be paid at the rate of \$1,000 per day for essential activities which are to be pre-approved by the Chairman.

Quarterly Production

Gross Total Production for the quarter ended 31st March 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	7,591	84	303	3	Insufficient Prod'n for Gas Sales	90
D Truchard #1	0	0	0	0	Well has been shut in	0
Heintschel #1	0	0	0	0	Well has been shut in	0
Heintschel #2	10,166	268	161	4	38	52
Truchard #2H	64,415	724	1,403	16		90
Truchard #3	74,453	825	1,354	15		90
Totals for Qtr	156,625		3,221			

Moving forward

Whilst energy prices are low, the Board is of the view that the entry prices for new projects are also suppressed. 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. The process to sell or farm-out the Company's interest in the Heintschel field and 1K3D project is ongoing and the Company has engaged with a number of interested parties. However, a transaction will only eventuate if BUR receives appropriate value for these assets, which may be difficult to achieve in the current commodity price environment. At the same time BUR is actively seeking new projects to enhance corporate value.

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 March 2015 quarter.

Working Interests

As at 31st March 2015, Burleson held the following ownership (working) interests in six producing oil and gas wells in South Texas, USA (no changes in the Quarter):

Well Ownership Percentages	As at 31 st March 2015
Joann #1	39.4%
Heintschel #1	38.0%
Heintschel #2	38.0%
D. Truchard #1	38.0%
Truchard #2H	50.0%
Truchard #3	50.0%

Cash at hand

As at 31st March 2015, the Company had approximately \$A537k in the bank.

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 March 2015, Burleson's gross and net acres under lease) and are as follows:

	As at 31 st March 2015	
Gross Acres	3,619	down 231
Net Acres	1,793	down 88
Burleson's Average Interest	50%	

New Farm-in / Farm-out agreements

During the March 2015 quarter Burleson did not enter into any farm-in or farm-out agreements.

For further information please contact:

Andrew Bald, CEO
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www.burlesonenergy ltd.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

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

BURLESON ENERGY LIMITED

ABN

73 117 770 475

Quarter ended ("current quarter")

March 2015

Consolidated statement of cash flows

		Current quarter March 2015 \$A'000	Year to date (9 mths to Mar 2015) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	246	803
1.2	Payments for (a) exploration & evaluation	(220)	(1,282)
	(b) development	-	-
	(c) production	-	-
	(d) administration		
	- Australia	(129)	(454)
	- USA	(87)	(342)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	3	20
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid		
1.7	Other – Proceeds of farm out transaction / sale	-	-
Net Operating Cash Flows		(187)	(1,255)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.9	Proceeds from sale of:		
	(a) producing assets		
	(b) equity investments		
	(c) other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
Net investing cash flows		-	-
1.13	Total operating and investing cash flows (carried forward)	(187)	(1,255)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(187)	(1,255)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material) Rights Issue Proceeds		
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(187)	(1,255)
1.20	Cash at beginning of quarter/year to date	686	1,700
1.21	Exchange rate adjustments to item 1.20	38	92
		537	537
1.22	Cash at end of quarter		

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	142
1.24 Aggregate amount of loans to the parties included in item 1.10	-
1.25 Explanation necessary for an understanding of the transactions	
Directors Fees, consulting	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	-
4.3 Production	-
4.4 Administration	100
Total	150

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	179	181
5.2 Deposits at call	358	505
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	537	686

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	-			
6.2 Interests in mining tenements acquired or increased	-			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter


Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	420,889,133	420,889,133		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	18,000,000	Employee	<i>Exercise price</i> 8 cents	<i>Expiry date</i> 5 Dec 2015
		4,000,000	Employee	3 cents	1 Dec 2016
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does *give* a true and fair view of the matters disclosed.

Sign here:  Date: 30 April, 2015
(Company Secretary)

Print name: ALEXANDER SUNDICH.....

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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