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Heintschel Field Drilling to Re-commence

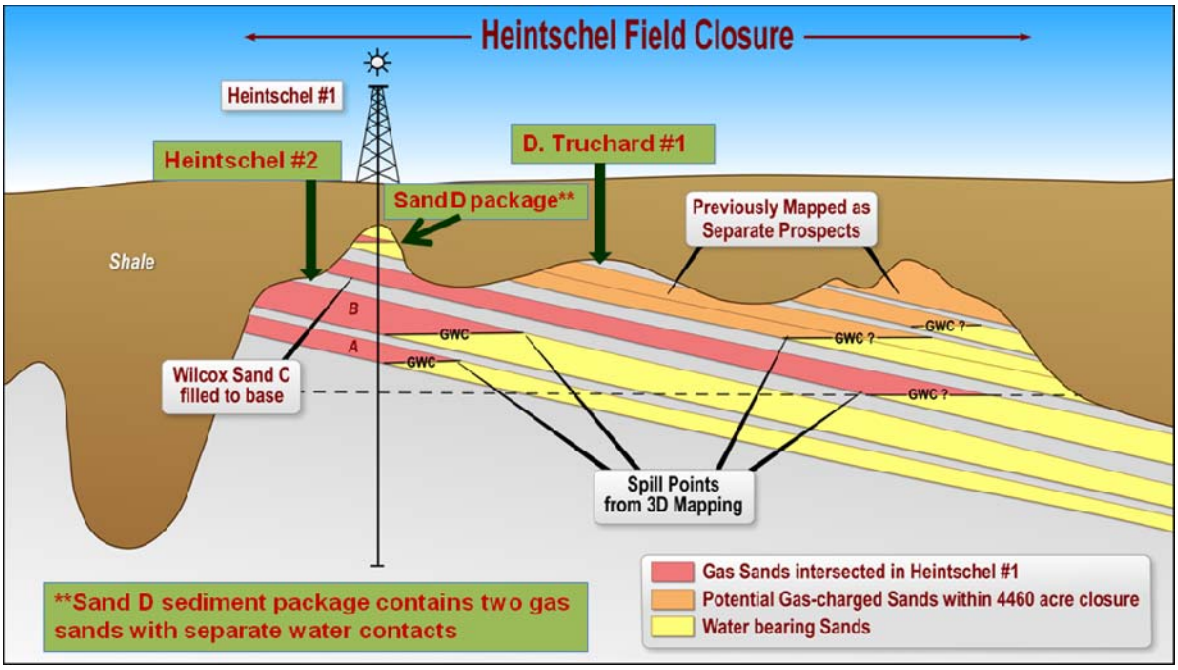
ASX Code: BUR

Burleson Energy Limited ('BUR') is pleased to advise that a rig has been contracted to drill two wells and is expected to be moved onto location on 18 November 2010, with the first well spudded shortly thereafter. This rig performed well in drilling the 3 Wilcox wells (Heintschel #1, Moeller #1 and Joann #1) earlier in the year.

Well 1

The first well is anticipated to spud on or about 18 November 2010. Known as the D. Truchard # 1 well, it will be on a step-out location located some 2.9 kms from the Heintschel #1 location. It will target the closure in the middle of the cross section (below) previously mapped as a separate prospect.

This well will be partly an appraisal well as it will provide information on the extent and quality of the gas and condensate sands encountered by Heintschel #1 (especially Sand C). There is also an exploration element as the well is targeting a separate structural high on the broader 4,460 acre structure to test the Sand D sediment package which was encountered in Heintschel #1.



Heintschel Field Schematic Cross Section

1. D. Truchard #1 is located on the middle high – to test C & D Sands.
2. Heintschel #2 is on the structural shoulder left of Heintschel #1 – to test B & A Sands.

Earlier in 2010, operator AKG undertook an evaluation of the Heintschel field and estimated the potential gas and condensate volumes as follows (see earlier ASX releases for details):

	Gas (Bcf)	Condensate (mmb)*	Number of wells to develop
Low case	25.6	0.465	4-8
Mid case	58.9	1.07	6-16
High Case	87.7	1.6	12-24

* Based on the Heintschel #1 well results, the potential condensate volumes are likely to be increased significantly from these figures as the condensate: gas ratio in the well is nearly double of what was anticipated.

A successful D. Truchard #1 well would be a significant step towards confirming volumes approaching those in the High Case scenario above. However several further wells, and production history for a number of the wells, will be required to confirm the actual volumes of gas and condensate in the greater Heintschel structure.

Well 2

The second well in the upcoming program, Heintschel #2, is currently planned as an offset well some 370 metres from Heintschel #1. It will be a combined appraisal and development well which, if successful, should enable BUR and partners to book proven gas and condensate reserves for the field and will provide valuable additional cash flow.

Alternatively, depending on the results of a longer term flow of the recently fracced Heintschel #1, the joint venture will consider targeting a new wildcat Wilcox exploration prospect as the second well in this program.

At this stage, however, this offset well is the preferred candidate.

Fraccing of the new wells

The new wells are expected to require fracture stimulation (fraccing) to maximize flow rates of gas and condensate. There remains a shortage of fraccing equipment in the region; in some cases leading to delays of up to several months for a frac to occur after a well has been drilled. AKG have commenced negotiations to schedule timely fracs for the two new wells.

Heintschel Field Interests:

Burleson Energy (ASX: BUR)	38.0%
New Standard Energy (ASX: NSE)	32.5%
AKG and Associates (AKG)	29.5%

For further information, please contact:

Mike Sandy
Managing Director

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.