

ASX Announcement
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Texon Petroleum Ltd
ABN 24 119 737 772

Level 9, 46 Edward Street
Brisbane, Qld Australia 4000

Postal: GPO Box 402
Brisbane, Qld Australia 4001

Telephone: +61 7 3211 1122
Fax: +61 7 3211 0133

Directors:

John Armstrong
David Mason
Bernard Rowley

Company Secretary:

Des Olling

Contact:

Cliff Foss
President & CEO
cfoss@texozep.com

or:

John Armstrong
Chairman
john.armstrong@texonpetroleum.com.au

Website:

www.texonpetroleum.com.au

ASX Code: TXN

Fourth Eagle Ford Well Production

- **60 Day Result – 693 boepd**
- **14% more oil than EFS #1**

Texon's fourth Eagle Ford well (Hoskins EFS #1H) produced 41,606 boe (35,530 bo + 36,455 mcfg) during its first 60 days of production. This is an average daily rate of 693 boepd of which some 90% is oil and gas liquids.

Texon's first and third Eagle Ford wells produced at the average rates of 632 and 731 boepd respectively during their first 60 days of production.

During its first 60 days the EFS #4 produced 14% more oil than Texon's first EFS well.

The locations of Texon's four Eagle Ford leases together with nearby wells drilled by other operators are shown on the attached map.

Texon has a 95% WI in the Hoskins well and a 71.25% NRI in the production.

Clifford S. Foss, President of Texon Petroleum said "Our fourth Eagle Ford Shale well, the Hoskins 1H, extends Texon's high value Eagle Ford production to the southern edge of our leasehold block. We are very pleased with this outcome."

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Oil and gas futures prices:

Source: NYMEX January 2012

Oil: US\$94.85/bbl

Gas: US\$3.15/mmbtu (this translates to approx. US\$5.20/mcf for all Texon gas – including US\$6.00/mcf for Olmos and Eagle Ford gas)

Glossary:

- bbl: barrel
- bo: barrels of oil
- boe: barrels of oil equivalent
- boepd: barrels of oil equivalent per day (including gas converted to oil equiv barrels on basis of 6mcf to 1 barrel of oil equiv)
- mcf: thousand cubic feet
- mcfg: thousand cubic feet of gas
- mmbtu: million British thermal units
- NRI: Nett Revenue Interest
- WI: Working Interest

Attachment:

- (1): Map showing leases and wells

Attachment 1

