



OIL & GAS DEVELOPMENT COMPANY LIMITED

No.

August 27, 2009

Mr. Muhammd Ghufan,
Deputy General Manager – Companies Affairs
The Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building, Stock Exchange Road
Karachi-74000

Subject: **DISTRIBUTION OF THE SHARES OF OGDCL UNDER
BENAZIR EMPLOYEES STOCK OPTION SCHEME**

Dear Sir,

Pleaser refer to your letter No. KSE/C-1067-9532 dated August 27, 2009 on the above subject regarding the distribution of the shares of the Company among the employees under "Benazir Employees Stock Option Scheme".

It may please be noted that the Government has distributed 12% of its own share holding free of cost to the employees of OGDCL which has no impact at all on the stock markets of the country because these are being issued in the form of Unit Certificates & will be cancelled on employees' leaving the service of the Company. Besides it does not bring any change in the authorized, subscribed, and paid-up capital of the Company.

The announcement of the "Benazir Stock Option Scheme" published in Newspapers of August 27, 2009 does not have any material impact on share transaction of the Stock Exchanges. Regarding the nomination on the Board of Directors of the Company, we have yet to receive an official notification from the GOP. On receiving the official notification the same will be communicated to you.

Yours sincerely,

(ERAM ALI AZIZ)
Company Secretary

Cc:

ED (Fin)/CFO
CSO to MD