



OIL & GAS DEVELOPMENT COMPANY LIMITED

No. CS04-08(KSE/LSE/ISE)

September 1, 2009

1.	The General Manager Karachi Stock Exchange (Guarantee) Limited, Stock Exchange Building Stock Exchange Road Karachi Fax No. 021-111-573-329	3.	The Secretary Islamabad Stock Exchange (Guarantee) Limited, 101-E, Fazal-ul-Haq Road Islamabad Fax No. 051-2275044
2.	The Secretary Lahore Stock Exchange (Guarantee) Limited, 19-Khayaban-e-Iqbal Lahore Fax. No. 042-111-441-441	4.	London Stock Exchange Plc. 10 Paternoster Square, London EC4M 7LS Tel: (44) 020 7334 8907

SUBJECT: DISCOVERY OF HYDROCARBON IN NASHPA WELL NO. 01

Sir,

By the grace of Almighty Allah, Oil and Gas Development Company Limited (OGDCL) has encountered oil and gas in its Exploratory Well Nashpa # 01 in Nashpa exploration lease. This is a joint venture with PPL (30%) and GHPL (05%). The discovery has been made from Lockhart formation. The well is located in District Karak of NWFP Province. The surface coordinates of the well are 33° -15'-01.254" N (latitude) and 71° -36'-26.36" E (longitude).

The well was spudded on June 29, 2008 and drilled down to the depth of 4384 Meters. The main objective of drilling was to test the potentials of Datta, Shinawari, Samanasuk, Lumshiwai & Lockhart formations. Because of down hole structural changes, only Lockhart formation was encountered down to drilled depth. For testing purpose, Lockhart formation divided into three intervals. Lower Lockhart and middle Lockhart have been tested as hydrocarbon bearing with following flow rates whereas upper Lockhart, yet another promising interval is to be tested.

Choke Size	WHFP (PSI)	Quantity of Oil (BBL/D)	Quantity of Gas (MMSCFD)	GOR (SCF/STB)	API at 60/60° F
32/64"	2,340	3,000	9.678	3,226	38.78

5. The above is being provided to you in compliance with the requirements of Clause No. (xxiii) of the Code of Corporate Governance.

Thanking you.

Sincerely,

(Eram Ali Aziz)

Company Secretary