

## Foundation Alert

### MARI: Horizontal drilling at HRL reservoir to prolong elevated gas flows

#### Event

- MARI Petroleum Company Limited (MARI) has successfully drilled first ever horizontal well at HRL Reservoir.

#### Impact

- MARI has successfully drilled and tested its first ever horizontal development well Mari 112-H in HRL Reservoir of MARI Gas Field in Daharaki, Sindh Province.
- The well was drilled to a total depth of 1,550 meters including a horizontal section of around 530 meters.
- After the acid simulation job, the well has tested flows of around 21mmcf/d of gas flowing at a wellhead pressure of 426 Psi.
- Company aims to connect this well to the network soon along with evaluation of drilling additional horizontal wells.
- We believe success of horizontal drilling would enhance probability of gas flows from HRL at an elevated level for a prolonged period.
- Flows from this horizontal well are twice compared to vertically drilled wells which would optimize development expenditure of the reservoir, in our view.

#### Outlook

- Materialization of lower Goru-B reserves, enhanced probability of continuation of flows on incremental pricing from HRL, immunity to circular debt, aggressive exploration drive in hydrocarbon rich areas and offshore expansion compel us to have “Outperform” stance on the stock.

#### Analyst

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If	
Expected return >+10%	Outperform.
Expected return from -10% to +10%	Neutral.
Expected return <-10%	Underperform.