



OIL & GAS DEVELOPMENT COMPANY LIMITED

No. CS04-08(KSE/LSE/ISE)
July 16, 2010

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, 55-B, ISE Towers, Jinnah Avenue, Islamabad Fax No. 051-111-473-329
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 GAS AT SHEIKHAN WELL # 01

Sir,

By the grace of Almighty Allah, Oil and Gas Development Company Limited (OGDCL) Operator of Kohat EL, together with its Joint Venture partners Tullow Pakistan (Development) Limited, Mari Gas Company Limited and Salf Energy Limited has discovered Gas reserves from its exploratory Well Sheikhan # 01, located in District Kohat of Khyber Pukhtoonkhawa.

2. Sheikhan Well # 01 was spudded on November 12, 2009, and drilled down to the depth of 2810 M, targeting potentials of Kingriali, Datta, Shinwari, Samanasuk, Lumshiwal, Hangu & Lockhart formations. Due to sub-surface structural complexities, Kingriali & Datta formations were not encountered down to drilled depth.

3. Significant reserves of gas have been found at Sheikhan Well # 01. Lumshiwal formation has produced 15 MMCFD gas through 32/64" choke size at well head flowing pressure 2500 Psi. The gas is of good quality with 96% methane and 1041 BTU / SCF heating value.

4. The discovery will add to hydrocarbon reserves base of the Company and joint venture partners.

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