

Mari Petroleum Company Limited

Corporate Briefing Takeaways

The management of Mari Petroleum Company Limited held a corporate briefing session on 14th Jun'24 to discuss the 9MFY24 financial result and future outlook.

Brief Takeaways

- To recall, the company posted a profit after tax (PAT) of PKR 52bn (EPS: PKR 387.02) in 9MFY24 against PKR 40bn (EPS: PKR 302.02) in 9MFY23, up by 28% YoY. The jump in earnings came amid i) a 19% YoY jump in the wellhead price of Mari Gas Field and ii) 11% and 21% YoY growth in gas and oil production, respectively.
- During 9MFY24, the company achieved the highest-ever nine-month production of 29.93mn BOE.
- The management shared that all the survey activities in the Baluchistan province have been halted due to security concerns. Meanwhile, routine operation and drilling activity continue.
- During the period, the company witnessed a landmark oil discovery at Shawal Well at Mari Field of 1,040 bopd coupled with gas flows of 2.54 mmcf/d.
- The management shared that the company is in talks with the government to resolve the issue of piling up of circular debt.
- Regarding the appraisal and development wells, the management informed that Mari Ghazij wells 1,2,3,4, and 5 were successfully drilled during 9MFY24, taking the total potential of all the wells to 30 mmcf/d.
- During the period the company drilled a High Angle (60-degree) well of Ghazij-5 on 15th Feb'24, which reported a post-acid gas flow of 10.5mmcf/d.
- In the 9MFY24, the government has approved the renewal of Mari D&P Lease till 10th Nov'29, which will be subjected to payment of an additional 15% of the wellhead value of the petroleum produced to the federal government.
- The management disclosed that the company completed its first-ever ATA of Sachal Gas Processing Complex, after which the complex achieved the highest-ever sales gas of 108 mmcf/d.
- Related to HRL pressure enhancement facilities, the management informed that the project work is being undertaken as per the timeline. Currently, the debottlenecking of pipelines is ongoing (reaching 75%) and is expected to reach completion in Dec'24. Moreover, 9 nodes are expected to be installed in 2026.
- The management iterated that Early Production Facility at Shewa is completed while ancillary civil work is in progress. The commencement of production from the facility depends on the completion of the pipeline by SNGPL.
- On the question regarding Offshore Block 5, the management informed first appraisal well is undergoing drilling of the process.
- The management informed that the company was granted a license for mining during 9MFY24.
- The management expressed concerns over the curtailment of gas by Sui companies, which as per the management is due to the availability of higher LNG gas in the system.

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