

# Petro Matad Limited

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## Petro Matad reveals Red Deer exploration well is 'dry'

Petro Matad Limited (LON:MATD) has revealed that the Red Deer 1 exploration well has failed to find hydrocarbons.

The Mongolia focussed explorer, in a statement, said that the well was drilled down to 2,000 metres and no hydrocarbon bearing zones were identified. Red Deer 1 will now be plugged and abandoned.

It did encounter the primary reservoir target, the Lower Tsagaantsav, slightly shallower than anticipated but no oil shows were present. Similarly, it observed indicators of potential source rocks but it was concluded that they were not mature in the vicinity of Red Deer.

Red Deer 1 was drilled on budget and cost less than US\$4mIn, Petro Matad said.

"While the results of the Red Deer-1 well are disappointing, it was the first well to be drilled in any of the basins located in the south of Block XX and it therefore carried a lower chance of success than the wells in the north," said Mike Buck, chief executive.

He added: The company's activities are now focussed on drilling and testing operations in the north of Block XX and we look forward to updating the market further on the spudding of Gazelle-1 and the testing on Heron-1."

Petro Matad updated on the Heron 1 well which has now been cased ready for a testing programme, due to start in early October. Well results released last week included the presence of oil and gas shows, with a 77 metre gross reservoir interval interpreted from drilling data.

The upcoming testing will provide further information about the potential discovery.

At the same time, the drill rig will now move from Heron to the Gazelle exploration well location, where drilling operations are slated to start before the end of September.

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**Price:** 3.75

**Market Cap:** £24.83 m

### 1 Year Share Price Graph



November 2018 May 2019 November 20

### Share Information

**Code:** MATD

**Listing:** AIM

**52 week High Low**  
10 1.9658

**Sector:** Oil & Gas

**Website:** [www.petromatadgroup.com](http://www.petromatadgroup.com)

### Company Synopsis:

*Petro Matad is a group focused on oil exploration, as well as potential future development and production in Mongolia.*

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