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The Bull Case For Parex Resources (TSX:PXT) Could Change Following New **Ecopetrol** Development Partnership - Learn Why

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Simply Wall St

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- Parex Resources and **Ecopetrol** recently finalized a collaboration under which Parex will earn a 50% participating share in the Casabe and Llanito blocks in Colombia's Magdalena Basin by committing US\$250 million of capital over five years, focused on infill drilling, waterflood optimization, and enhanced oil recovery.
- The agreement gives Parex access to established infrastructure and a direct pipeline link to **Ecopetrol**'s Barrancabermeja refinery, which could meaningfully influence future operating netbacks and development economics across these mature assets.
- We'll now examine how this **Ecopetrol** partnership, and Parex's commitment to US\$250 million of development spending, reshapes its investment narrative.

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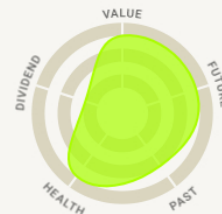
Parex Resources Investment Narrative Recap

To own Parex today, you need to believe in its ability to keep turning Colombian barrels into strong cash flow while managing concentrated country risk and the capital needs of maturing fields. The **Ecopetrol** partnership adds low risk, infrastructure rich barrels, but the more immediate swing factor is execution on this US\$250 million spend and how it affects free cash flow and netbacks. Colombia specific regulatory and fiscal changes remain the clearest single risk to that story.

About TSX:PXT

Parex Resources

Engages in the exploration, development, production, and marketing of oil and natural gas in Colombia.



Undervalued with high growth potential.

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Among recent announcements, the planned acquisition of Frontera's Colombian assets stands out as especially relevant. If completed, it would significantly deepen Parex's exposure to the same regulatory and tax regime that underpins the [Ecopetrol](#) deal, amplifying both the upside from operating scale and the downside from country concentration. Together, the Frontera transaction and the Casabe and Llanito commitment could shift the near term focus toward integration and disciplined capital allocation across a much larger Colombian portfolio.

Yet alongside the upside from these Colombian focused deals, investors should be aware of the heightened exposure to local policy and fiscal shifts that...

[Read the full narrative on Parex Resources \(it's free!\)](#)

Parex Resources' narrative projects \$2.6 billion revenue and \$393.7 million earnings by 2029.

[Uncover how Parex Resources' forecasts yield a CA\\$27.54 fair value](#), in line with its current price.

Exploring Other Perspectives



Some analysts were already assuming very strong growth, with revenue reaching about US\$2.9 billion and earnings around US\$542 million, so compared with the baseline view they are far more optimistic that large resource potential and enhanced recovery projects will translate into sustained, efficient growth, even though recent news could easily push those expectations higher or lower once the dust settles.

[Explore 7 other fair value estimates on Parex Resources](#) - why the stock might be a potential multi-bagger!

Reach Your Own Conclusion

Don't just follow the ticker - dig into the data and build a conviction that's truly your own.

- A great starting point for your Parex Resources research is our analysis highlighting **4 key rewards** and **2 important warning signs** that could impact your investment decision.
- Our **free Parex Resources research report** provides a comprehensive fundamental analysis summarized in a single visual - the Snowflake - making it easy to evaluate Parex Resources' overall financial health at a glance.

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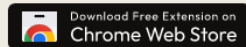
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