...s amid stronger growth and increased investor attention, and ...alysts believe the ride isn't over yet.

...the past eight months, Calgary-based Painted Pony has graduated to the Toronto Stock ...change and then the S&P/TSX composite index, taking its shares up about 70 per cent along ...e way.

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Analysts are unanimous: Painted Pony Petroleum is a buy

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Special to The Globe and Mail

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Investors in junior oil and gas player Painted Pony Petroleum Ltd. have watched their shares gallop ahead in recent m...

He says the company has the highest expected production growth among its peers, based on analysts' consensus, driven largely by a new natural gas fracking technique that has helped to boost recovery. While the company is more expensive than some of its peers, analysts say its valuation is cheaper now than it has been in years.

All 11 analysts that cover Painted Pony have a "buy" or equivalent rating on the stock, with a price consensus over the next year of $15.20, according to Bloomberg. Their targets range from $12.50 to $18.

The stock closed Monday at $13.16, not far from its 52-week high of $13.68 on June 18, two days before it was added to the composite index, which has brought added investor interest.

As well, a number of analysts hiked their targets in recent weeks, after the company increased its full-year production guidance in April, exceeding expectations.

Canaccord Genuity analyst Anthony Petrucci has a "buy" rating and a revised $22 target on the stock (up from $18), calling it his firm's "favourite pick in the natural gas space."

Despite its recent rise, "we believe the stock is poised to move significantly higher, as the company continues to execute on its aggressive growth plan," he said in a note.

First Energy Capital analyst Cody Kwong recently increased his target to $16. "We continue to see further room to expand our target," he said.

Mr. Kwong believes the potential sale of the company's Saskatchewan oil assets will accelerate growth of the company's natural gas program in the prolific Montney basin in B.C.

TD Securities analyst Juan Jarrah also sees the stock going to $16, saying in a note the company "has assembled an attractive asset base," that could benefit a number of LNG players in that province.

One risk for investors is the potential drop in commodity prices, especially if Painted Pony becomes a pure-play natural gas company.

Natural gas prices have been rising in recent years, to about $4.50 (U.S.) per million British thermal units today, up from $2.50 two years ago.

John Stephenson, chief executive of newly formed Stephenson & Co. Capital Management, doesn't own Painted Pony today, but is looking at the name for his clients.

He likes that the company is managing its costs, and that it's a potential takeover candidate. "It's more of a gas story than an oil story, but the good news for them is gas is looking more and more attractive," he said.

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