

OMV Petrom and Romgaz announce decision to develop Neptun Deep project

OMV Petrom and Romgaz cleared the Development Plan for Domino and Pelican South commercial fields in the Neptun Deep block, following to submit the development plan for endorsement to the National Agency for Mineral Resources, according to a press release sent to the Bucharest Stock Exchange (BVB) on Wednesday morning.

OMV Petrom is the operator of the Neptun Deep project, with each company holding a participating interest of 50%.

OMV Petrom and Romgaz will invest up to 4 billion EUR for the development phase of the project, which will generate a production of approximately 100 billion cubic meters (bcm) of natural gas.

"Through the final investment decision for the Neptun Deep project, we are opening a new chapter for the Romanian energy sector. Together with our partner, Romgaz, we are entering the development phase of the first deep offshore project in Romania. The project will contribute to Romania's economic growth and strengthen the country's energy security. In order to illustrate the size of the project: production is equivalent to the current annual demand for natural gas of about 4.3 million households multiplied by almost 30 times. It is also a major step for our 2030 strategy to support the energy transition in Romania and the region," OMV Petrom CEO Christina Verchere said.

In his turn, Romgaz CEO Razvan Popescu underscored that "Neptun Deep is a strategic project for Romania and the region from the perspective of securing the required natural gas and the country's energy transition."

"Starting with 2027, we will have a new natural gas source with potential to significantly increase the country's natural gas production, thus securing safety of supply. We are proud to take part in an innovative project with significant benefits over the long term," Razvan Popescu stated.

Romgaz Deputy CEO Aristotel Jude mentioned that the decision to invest in "the development of of the fields in this block is a historical one for all parties involved, and which will bring undeniable benefits to Romania's energy security and independence."

"We remain committed to meeting the objectives of this project and we are confident that the National Agency for Mineral Resources will confirm, as soon as possible, the development plan of Domino and Pelican South commercial fields in the Neptun Deep block, moment when the actual development of these fields will commence," Jude stated.

The necessary infrastructure for the development of Domino and Pelican South commercial fields includes 10 wells, 3 subsea production systems and associated flow lines, an offshore platform, the main gas pipelines to Tuzla and a gas metering station. The platform generates its own energy, operating at highest safety and environment protection standards. The entire infrastructure will be operated remotely by means of a digital twin. This allows process optimization and will contribute to improving environmental performance by means of efficient consumption and emission reduction

First production is planned for 2027. Production at the plateau will be approximately 8 bcm annually, for almost 10 years.

Neptun Deep is the largest natural gas project in the Romanian area of the Black Sea. Neptun Deep block is 7,500 km² large and is located at approximately 160 km from the shore with water depths ranging between 100 and

1,000 meters. Since 2008, the exploration activities in the Neptun Deep block have included two 3D seismic acquisition campaigns and two exploration drilling programs. The first gas discovery was in 2012.