OMV Petrom is the largest energy company in Southeast Europe. The company is active along the entire energy value chain: from exploration and production of oil and gas, to refining and fuels distribution, and further on to power generation and marketing of gas and power.

In 2004 OMV AG became the majority shareholder with 51% of the Petrom share capital, following the privatization and subsequent capital increase of Petrom S.A. The Exploration and Production Division had more than 26,000 employees operating in three regions with approx. 300 production licenses. Until today the organization went through various reorganization programs leading to the current structure of six onshore, one shallow offshore Asset and three PEC (Production Enhancement Contracts) employing around 10,000 staff. Post privatization OMV Petrom invested in Upstream operations in Romania and Kazakhstan more than EUR 10 bn. This included drilling of more than 2,000 new wells and sidetracks, as well as modernization and automation of the existing infrastructure.

Exploration
OMV Petrom is currently engaged in exploration activities in ten exploration licenses in Romania, covering over 26,000 km². These include two offshore licenses. In 2019, two exploration wells were drilled with a technical success rate for exploration of 50%. By end of February 2020 together with Hunt Oil Romania as operator of a 50/50% partnership, Europe’s largest onshore 3D Seismic survey (1,583 km²) was acquired in the Urziceni area (S-E Romania)

Operations
Currently OMV Petrom Upstream operates in Romania 193 commercial fields, including 22 fields under Production Enhancement Contracts. The production infrastructure includes approx. 7,000 production wells, around 13,000 km of pipelines and approx. 1,000 facilities. Significant progress was achieved since privatization in terms of equipment integrity and reliability by reducing the number of well interventions to approx. 5,000 per annum and increasing the well MTBF (Mean Time Between Failures) to 737 days. In 2019, OMV Petrom production in Romania amounted to a daily average of around 145 kboe/d, with 45% oil and 55 % gas. OMV Petrom produces around 17% of its domestic production from the shallow water Black Sea Istria block. Production in the Black Sea began more than 40 years ago and today six fixed offshore platforms are operated 80 km from shore. In 2019 the decommissioning of the Gloria production platform and removal from its production location in the Black Sea was completed. This marked the end of a 40 years history as drilling and production platform in the Romanian Black Sea and the first offshore decommissioning operation in Romania.

Neptun Deep
Neptun Deep represents the deepwater sector of the XIX Neptun block in the Romanian Black Sea, where OMV Petrom is conducting activities through a joint venture with ExxonMobil. In 2009 and 2013 3D seismic acquisition programs covering the entire area of the block were completed. The first exploration drilling campaign in Neptun Deep led to the Domino-1 discovery in 2012. The initial resources estimate amounted to 21 to 42 bn m³ of natural gas (OMV Petrom share). Between 2014 and January 2016, a second exploration drilling campaign was conducted, during which seven wells were drilled. The majority of these wells

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encountered gas. In addition, a successful well test of the Domino structure was performed. The investments made since 2008 were in excess of USD 1.5 bn (thereof 50% OMV Petrom).

**Reserves Replacement Rate (RRR)**

As of December 31, 2019, the total proved oil and gas reserves in Romania amounted to 477 mn boe, while the proved and probable oil and gas reserves amounted to 743 mn boe. For the single year 2019, the Group’s RRR was 49%.

**Sustainability and CSR**

Since 2007, OMV Petrom has included corporate responsibility principles into its business strategy. Between 2007 and 2019, the company has allocated approx. EUR 66 mn to develop communities in Romania, focusing on environmental protection, education and health. This includes also the EUR 10 mn sponsorship to the “Dăruieste Viață” Association project for the construction of the first Pediatric Oncology and Radiotherapy Hospital in Romania. OMV Petrom is currently involved in various community engagement projects benefiting Romanian local communities, where Upstream operations are taking place.

**Technology and innovation**

Operating fields which have a long production history comes with challenges related to declining production and well productivity. OMV Petrom has expertise in using improved and enhanced recovery technology to maximize field recovery rates while remaining competitive from a cost perspective. A polymer injection pilot project was started in Independenta field in order to increase recovery rates. Our Romanian Upstream operations use high-tech solutions, like digital oilfields and 3D visualization of reservoirs to optimize operations, explore business opportunities and develop new business models. In 2019 OMV Petrom has successfully completed another shallow offshore drilling campaign, adding the well with the longest horizontal section to the portfolio.

**Facts / Milestones**

1976 First exploration drilling in the Black Sea
1976 Highest oil production in Romania’s history: 15.1 mn t/a
1987 First crude oil production from shallow offshore (Black Sea)
1996 Central Production Platform in operation in the Black Sea
1997 National Oil Company Petrom S.A. founded
2001 Petrom shares are listed on the Bucharest Stock Exchange
2004 Petrom privatization - OMV acquires 33.34% of Petrom share capital, which increases to 51% following a capital increase
2008 Petrom enters into a 50%/50% partnership with ExxonMobil (operator) for the exploration of Neptun Deep
2011 Totea Deep field discovery in Oltenia region
2011 – 2012 First deepwater exploration drilling in the Black Sea
2012 The Domino-1 exploration well encounters natural gas in Neptun Deep
2013 Petrom and ExxonMobil successfully complete the largest 3D seismic survey in the Romanian waters of the Black Sea
2014 OMV Petrom in partnership with Hunt Oil Company of Romania discovers Padina field in the south of Buzău County
2016 OMV Petrom celebrates 40 years of offshore activities in the Romanian part of the Black Sea
2018 OMV Petrom reaches Mean Time Between Failures of 700 days in Romania
2018 First multilateral horizontal offshore well in the Black Sea
2019 First offshore decommissioning project in the Black Sea (Gloria jack-up rig)