

## **Additional offshore production to be achieved from applying new technology**

- ▶ **Offshore campaign successfully concluded recently**
- ▶ **Production increase on two wells producing since 1998, based on a pioneer technology; same technology applied in a newly drilled well**
- ▶ **Additional offshore production of more than 300,000 boe expected from three wells this year**

Petrom, the largest oil and gas producer in Southeastern Europe, has recently concluded a very successful offshore campaign in the Lebada Est and Lebada Vest fields, located on Histria block in the Black Sea, using a pioneer technology in Romania. Following this offshore campaign, additional production of more than 300,000 boe is expected for this year to come from two existing wells (LO2 and LO4) and a new well drilled (LV05).

Johann Pleininger, Petrom Executive Board Member responsible for Exploration and Production: "We put great efforts and invest heavily in Romania to ensure a stable level of production, taking into account that we operate mostly very mature fields. New technologies are being applied within all our E&P operations; in this case, the use of a modern technology, multi stage hydraulic fracturing, helped us increase the production on two old wells and successfully put in production a new one".

The wells LO2 and LO4 were initially drilled in 1998 in the Lebada Est field and were producing at low rates due to the poor flow properties (i.e. low permeability) of the reservoir rock.

Lebada Est and Lebada Vest fields are very similar from a geological perspective. After the company gained experience with hydraulic fracturing in several wells located in Lebada Vest, the same technology was successfully applied in LO2 and LO4. The multi stage hydraulic fracturing is a pioneering technology for Romania, which allows an increased flow of reservoir fluids from the rock into the wellbore and hence higher production rates.

Taking into account the results obtained in the wells LVO3 and LV04 in Lebada Vest, a new well, LV05 was drilled in this field.

Following this successful offshore campaign, a total additional production of more than 300,000 boe is foreseen in 2010 from these three wells.

### **Exploration and Production in the Romanian part of the Black Sea**

Romanian Black Sea exploration in near shore areas started in 1969. The first hydrocarbon discovery was made in 1980 and the first production started in 1987.

Petrom currently operates on two offshore blocks (Histria XVIII and Neptun XIX), covering an area of 13,880 km<sup>2</sup>.

Currently, Petrom operates five producing commercial fields: Lebada Est, Lebada Vest, Sinoe, Pescarus and Delta. The current offshore production reaches around 32,000 boe/d which accounts for approximately 18% of Petrom's production in Romania.

### **OMV Petrom SA**

Petrom is the largest Romanian oil and gas group, with activities in the business segments of Exploration and Production, Refining and Marketing as well as Gas and Power. Petrom exploits estimated proved oil and gas reserves of 823 mn boe in Romania (854 mn boe at Group level), has an annual refining capacity of 8 mn t and holds around 550 filling stations in Romania. The company also has an international network of 268 filling stations located in Moldova, Bulgaria and Serbia. In 2009, the turnover of Petrom was EUR 3,029 mn, EBITDA was EUR 696 mn. OMV Aktiengesellschaft, the leading energy group in Central and South-eastern Europe holds a 51.01% share in Petrom. OMV is active in 12 Central European countries in its Refining and Marketing business segment and in 17 countries on four continents in Exploration and Production. Ministry of Economy holds 20.64% of Petrom shares, Property Fund SA holds 20.11%, the European Bank for Reconstruction and Development 2.03% and 6.21% is free float on Bucharest Stock Exchange.

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