Russia is among the world’s most richly endowed countries when it comes to natural resources: about one fifth of all known natural gas reserves are situated in Russia. The country therefore has the largest gas reserves worldwide. Russia also lies in sixth place in the world oil rankings with more than 105 billion barrels of proven oil reserves*. Russia is the biggest supplier of natural gas to the European Union. For Wintershall Dea, Europe’s leading independent natural gas and crude oil producer, Russia is the key core region in its portfolio and the region with the largest planned increase in production.

Wintershall Dea is currently involved in several joint projects concerned with the exploration and production of hydrocarbons in Western Siberia and southern Russia. Together with our Russian partners, we are focusing on stable and long-term collaboration. Thanks to our ongoing exchange of experience and know-how a model of partnership has emerged that has been supplying Europe with energy for nearly 30 years.

* BP Statistical Review of World Energy 2019
Successful collaboration in exploration & production

**Achimgaz**, a joint venture between the Gazprom subsidiary Gazprom Dobycha Urengoy (50 per cent) and Wintershall Dea (50 per cent), celebrated its 15th anniversary in September 2018. The joint venture produces natural gas and condensate from the complex Achimov Formation in the Urengoy field (block 1A) in Novy Urengoy, situated in Western Siberia, about 3,500 kilometres northeast of Moscow.

Operating a large-scale facility for separating natural gas and condensate with five processing lines, Achimgaz finalized the drilling campaign in 2019 with a total of 108 production wells, thus allowing an annual production of about ten billion cubic metres\(^*\) of natural gas to be achieved.

The next milestone in the partnership between Gazprom and Wintershall Dea was reached with the foundation of the **Achim Development** joint venture. An asset swap with Gazprom was completed in September 2015, giving Wintershall Dea a 25.01 per cent share in blocks 4A and 5A of the Achimov Formation in the Urengoy field. In April 2018, Achimgaz was commissioned as general contractor for blocks 4A and 5A, allowing it to build on and benefit from the experience gathered in block 1A. The first construction phase started in 2018, with 40 production wells. The second phase is expected to include over 100 production wells and new processing facilities.

The Yuzhno-Russkoye natural gas field is another major natural gas production project shared by Gazprom and Wintershall Dea in Siberia. The field was discovered in 1969 and is one of the largest in Russia. The natural gas reservoir was commissioned in 2007, making Wintershall Dea the first German company to participate in production of natural gas in Western Siberia. Wintershall Dea has a 35 per cent share in the commercial success of the field through the joint company **Severneftegazprom**, which celebrated its 20th anniversary in 2018.

The joint venture reached a plateau production of 25 billion cubic metres\(^*\) of natural gas per year** in 2009, with more than 140 production wells already in operation.

Severneftegazprom has also taken on a pioneering role in developing the Turonian Formation, for which little practical experience has been gained to date. The technological competence and expertise of the partners is crucial for the successful implementation of the project. Compared to the deeper Cenomanian layer,
production from the Turonian Formation is considered more complex. The joint venture began operating the first test wells in the Turonian rock strata at the end of 2011. Over 120 new wells will be drilled between 2020 and 2033 as part of the production start-up from the Turonian formations, with the aim to increase the plateau production at Yuzhno-Russkoye field.

The fourth joint project in Russia is the German-Russian joint venture Wolgodeminoil. The company, which produces crude oil and natural gas, is operated by Wintershall Dea together with RITEK, a subsidiary of the Russian crude oil producer LUKOIL (50:50). In 2017, Wolgodeminoil celebrated its 25th anniversary, making it the longest running joint venture between a Russian company and a western European partner in the E&P sector.

**Infrastructure projects**

The Nord Stream Baltic Seapipeline construction started in April 2010 and became fully operational at the beginning of October 2012. Extending over a length of 1,224 kilometres, it links the gas reserves in Siberia directly with Germany via two parallel pipelines. Both strings together have a transport capacity of 55 billion cubic metres* of natural gas per year. Wintershall Dea has a 15.5 per cent share in the project. Nord Stream is connected to the existing European natural gas pipeline network via the connecting pipelines OPAL (Ostsee-Pipeline-Anbindungsleitung – Baltic Sea Pipeline Link) and NEL (Nordeuropäische Erdgasleitung – North European Gas Pipeline). The 472-kilometre-long OPAL pipeline runs from where Nord Stream comes on land at Lubmin near Greifswald to the Czech Republic, while the 441-kilometre-long NEL pipeline runs from Mecklenburg-Western Pomerania to Lower Saxony. OPAL has an annual transport capacity of 36 billion cubic metres* and NEL around 20 billion cubic metres* of natural gas.

Together with western European partners, Wintershall Dea is a financial investor in the Nord Stream 2 pipeline project, for which Gazprom is the sole shareholder of the project company Nord Stream 2 AG. The offshore Nord Stream 2 pipeline and the fully regulated European Gas Pipeline Link (EUGAL) will create new supply routes and make the European transport network more robust and more flexible. The Nord Stream 2 gas pipeline, with a total capacity of 55 billion cubic metres*, is a further safe, efficient and eco-friendly route for Russian gas supplies and provides a direct link to the European consumers. The first pipeline string of EUGAL, for which transmission system operator GASCADE is in charge, was commissioned in January 2020. The second pipeline string is expected to be finished by the end of 2020. The around 480-kilometre-long natural gas pipeline will transport the natural gas from Nord Stream 2 flexibly and reliably within Germany and to Southeastern Europe.

* Russian standard cubic metres (rscm)
A role model for cooperation

The “Scientific and Technical Cooperation” (STC) has been setting standards in Russian-German relations for 25 years: the joint initiative set up by Wintershall Dea and Gazprom promotes the exchange of experience and know-how between the two companies. Employees from Wintershall Dea, Gazprom and BASF are developing innovative solutions and new strategies in fields such as energy savings, the development of gas and gas condensate reservoirs, improving efficiency in planning, the implementation of infrastructure projects as well as environmental protection and safety. In addition, Wintershall Dea runs a successful development program for Gazprom managers.

Today, the quarter-of-a-century-long cooperation between the two companies is contributing to the success of the long-lasting German-Russian cooperation, is valued by both partners alike and will continue to secure efficient partnership in the future.

Wintershall Dea in Russia: at a glance

- **Country entry:** 1992
- **Onshore:** Novy Urengoy in Western Siberia, Southern Russia near Volgograd
- **Production (2019):** 289 mboe per day
- **Thereof gas and oil production:**
  - 234 mboe / 56 mboe
- **Gas/oil ratio:** 81% gas / 19% oil

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