

WINTERSHALL DEA

# NATURAL GAS FROM THE SAHARA

#### Algeria – a key gas supplier for Europe

Algeria is the leading natural gas producer in Africa and is estimated to hold the third-largest shale gas resources in the world. In addition, the OPEC member is one of the top three oil producers in Africa. Hydrocarbon exploration and production can, however, be challenging due to the huge size of the country and its extreme climate conditions.

Algeria is a major gas exporter to Europe. The country supplies Spain and Italy via pipelines under the Mediterranean Sea, and further European countries via LNG. The Algerian economy relies upon the country's enormous gas and oil deposits in the Sahara.



The Reggane Basin in the Sahara is one of the Earth's hottest regions – a geologically and logistically challenging venture to produce there.

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#### Reggane Nord - located in one of the Earth's hottest regions

Since 2002, Wintershall Dea has been a partner in the Reggane Nord Concession in the Sahara Dessert. The project is operated by Groupement Reggane Nord (GRN), a consortium formed by the project shareholders Wintershall Dea, Sonatrach, Repsol, and Edison. In 2022, Wintershall Dea entered into an agreement to acquire additional participating interest from Edison. Pending the completion of the transaction and regulatory approvals, the Groupement Reggane Nord consortium will in future consist of Wintershall Dea and partners Sonatrach and Repsol. Six gas fields form the Reggane Nord Project: Reggane, Azrafil Sud-Est, Kahlouche, Kahlouche-Sud,

Tiouliline and Sali. The fields extend over a large area of almost 1,800 square kilometres in the South Western Sahara Desert, one of the hottest regions on earth – making it a geologically and logistically challenging venture to produce there.

The Reggane field was discovered first in the 1960s by the Algerian national oil company, Sonatrach. Following a general and challenging development programme, Wintershall Dea and its partners celebrated first gas in December 2017. The project shows stable natural gas production at low cost. Currently, 24 wells are connected to the Central Processing Facility (CPF). A modified design of a planned booster compressor is expected to significantly increase the performance of the asset in future. The Reggane Nord project is expected to be in production until at least 2041.

The oil and gas sector is the backbone of Algeria's economy. The Reggane gas project in the Sahara aims to give it a crucial boost.



The production site in the Reggane Basin is linked to an export network via the new-build GR5 gas pipeline built by Sonatrach. At a length of 760 kilometres, the pipeline connects major gas concessions in south-west Algeria with the Hassi R'Mel gas hub, the starting point of intercontinental gas transports to Europe.

### Future opportunities in Algeria

Wintershall Dea is exploring potential future opportunities in Algeria. In 2020, the company signed an MOU with the Algerian state owned oil and gas company, Sonatrach, to create a framework to identify and potentially access additional business opportunities in the country. In 2022, the partners extended this MOU and widened it to include the consideration of projects with a focus on carbon management and hydrogen.

## Wintershall Dea in Algeria: at a glance

Country entry: 2002Onshore: Reggane Nord

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