

## **Romania: GazpromNeft NIS Serbia and East West Petroleum starts concession exploration**

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Serbia's NIS Petrol Company, a subsidiary of Gazprom's oil division will begin conventional oil deposits exploration concession in Timis county after Pancevo refinery was increased crude processing capacity.

"Increasing the production capacity as a result of significant investment in upgrading refinery in Pancevo is the main reason for our interest in oil from western perimeters of the country, situated near the border with Serbia," said Director General of NIS Petrol Romania.

In March, he mentioned that the company is considering a pipeline between Pancevo and solvent platform in Timisoara where to build a storage depot.

NIS has two refineries in Serbia, in Pancevo and Novi Sad, and annually produces 1.7 million tons of oil and gas per year. Serbian company operates 500 service stations and a network of oil deposits in Bosnia and Herzegovina, Bulgaria, Hungary and Romania, Turkmenistan, Angola, Belgium and Russia. In Romania, the company has 17 stations and the priority is to the west of Romania.

In 2011 the Canadian firm East West Petroleum has entered into an agreement with NIS to explore four oil blocks in western Romania, Bihor and Timis counties. Under the deal announced then, NIS would fund all the work, including drilling, assuming the 85% of the commercial rights.