Eni in Egypt
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Eni’s Milestones

1955
Eni’s subsidiary Ieoc makes the first oil discovery, the Belayim offshore field in the Sinai region, in the Gulf of Suez.

1957
Further positive results from exploration lead to establishing the company COPE (now Petrobel), with the participation of Ieoc and the State petroleum agency (now EGPC).

1961
Another success for Eni with the discovery of the first Egyptian offshore field, Belayim Marine, which today is still the country’s largest oil reservoir.

1967
Discovery of the first natural gas field in Egypt in the Nile Delta, with reserves of over 80 billion cubic meters.

1981
Acquisition of Meleiha Concession in the Western Desert. The company Agiba Petroleum is set up in order to further develop the activities in the Concession at enhancing the exploration of natural gas resources and the development of the fields discovered. The clause gives EGPC the opportunity to develop the domestic market and to start export projects.

1983
Discovery of the Port Fouad gas field in the offshore of the Nile Delta facing Port Said. Ieoc subsequently discovers many other gas fields in the Mediterranean offshore.

1987
Further acquisition of exploration permits in the Western Desert, which will become another major source of oil.

1993
Extension of the Petrobel leases (Sinai and Abu Madi) until 2020.

2004
Start-up of operations of Damietta LNG plant, constructed and run by SEGAS (Eni 40%). The plant processes gas from the Nile Delta fields and LNG is shipped mainly to Spain. Start-up of a United Gas Derivatives Co.’s plant (Eni 33.3%) in Port Said for LPG production and condensate extraction from rich gas. LPG and condensates are utilized in the local market.

2006
Ieoc signs a Framework Agreement to construct the second liquefaction train in Damietta together with its partners.

2008
Ieoc achieves its record production of 624,000 boe/day, of which 542,000 boe/day operated by 50% owned companies Petrobel and Agiba.

2009
Thekah, Fayrouz and North Bardawil gas fields are put on stream contributing to Egypt production with ca. 25,000 boe/day. Extension of the Petrobel leases (Sinai and Abu Madi) until 2030. Jasmine East oil field discovery in Meleiha Concession in January.

2010
Eni’s subsidiary Ieoc makes the first oil discovery, the Belayim offshore field in the Sinai region, in the Gulf of Suez.

2013
The year 2013 witnesses the achievement of Temsah Concession Area production development by the addition of Tuna field production in July 2013, where total rate of Temsah Concession production exceed 800 MMscfd by December 2013. For Ras el Bar Concession the production from (Nagy field) new gas starts in December 2013 with rate of 100 MMscfd. Arcadia and Jana oil fields discovery in Meleiha Concession in July and December 2013 respectively.

Sanapl and Jasmine oil fields discovery in Meleiha Concession in February and April respectively.

2019
Ieoc achieves its record production of 624,000 boe/day, of which 542,000 boe/day operated by 50% owned companies Petrobel and Agiba.
In 2011, Denziel B Field started its production in July and the total production of Terminus Concession exceeded 11 Bscf/day by December. Aman South West oil field discovery in Meleiha Concession in March

2012
New production in Ras El Bar Concession (Geth field) in June 2012, Emry Deep oilfield, Aman South and Nada West oil field discovery in Meleiha Concession respectively in January, March and May.

2013
Finalised the full field development plan of the Emry Deep oilfield with a peak oil rate of 27,000 bopd. Rosa Deep oil field with a peak oil rate of 32,700 bopd.

In August 2011, Ieoc Production BV, and Ieoc SpA, and operating through its branches in Egypt, Ieoc Exploration and Development Co. Ltd (collectively 50%).

Our Activities

Eni’s activities in Egypt have been marked by a number of successes, resulting in major energy projects that have fostered the Country’s economic development.

Egypt is one of the most important Countries in the Middle East, and has always played a strategic role as a bridge between Europe, Asia and Africa. Today Eni is one of the leading international players in the Country, thanks to a long-standing and fruitful collaboration with the Egyptian institutions.

Eni has started operating in Egypt since 1954 with the acquisition of shares of the company liec, which became fully owned in 1961. This stemmed from the effective understanding between Enrico Mattei, first Eni’s President, and Gamal Abdel-Nasser, President of the Republic of Egypt. The encounter between Eni and Egypt came at a time when modern oil exploitation had just started and called for efforts and a strong commitment to assess the Country’s potential.

Natural gas is Egypt’s big challenge for the new millennium, being an invaluable resource for the economic development of the Country and for exports. Moreover, it gives Eni a great opportunity to implement integrated projects that encompass the entire gas value chain.

Main Operations

Eni has been working successfully in oil and gas exploration and production through its branches in Egypt, i.e. Exploration BV, i.eoc Production BV, and iec SpA, and operating through its joint operating companies Petrolbel and Agiba.

2014
The first of the five development wells of the Delka gas project was put online in August 2014. Completion of the full field development plan was achieved by May 2015 with an average rate of about 180 Mscf/d. Ieoc Production BV acquired four new exploration licenses in the deep offshore waters of the Mediterranean Sea (Olonor Offshore, North Lui Offshore and Karawan Offshore) and in the Western Desert (South West Meleha).

2015
Finalised the full field development plan of the Emry Deep oilfield with a peak oil rate of 32,700 bopd.
28% of the gross annual hydrocarbon production in the Country, more specifically, 23% of liquids and 34% of gas. Eni’s companies operate 402,000 boe/day.

Eni’s objectives are on the one hand to significantly contribute to a substantial increase in gas reserves in the Mediterranean which will contribute to meeting both the domestic demand and export opportunities.

On the other hand to find reserves which will help managing the declining oil production both in the Gulf of Suez and in the Western Desert.

Gulf of Suez - Abu Rudeis

Ieoc’s most important oil production operations are at Abu Rudeis, in the Gulf of Suez. The Petreco Oil Center has a 260,000 barrels/day treatment capacity, and gathers some 85,000 barrel/day of oil from onshore and offshore fields - Belayim Marine, Belayim Land, Abu Rudeis, Sinai and Ras Garra - all operated by Petreco. Petreco are connected to the Ferian tank farm and marine terminal with a storage capacity of 2 million barrels.

Agiba Petroleum, the other Ieoc operating company, produces about 2,425 barrels/day of oil from the Ashrafi offshore oil field in the Gulf of Suez.

Western Desert - Meleiha

Agiba Petroleum, the other Ieoc operating company, mainly operates in the Western Desert area producing about 58,180 barrels/day of oil, 42,870 barrels/day from Meleiha (of which 10,750 barrels/day from Emry Deep field and 15,310 barrels/day from several other fields in the Western Desert).
Nile Delta - Abu Madi Mediterranean Offshore

The Nile Delta region is Egypt’s most prolific gas basin. In 1967 Ieoc discovered the first gas field in the country, Abu Madi, one of the largest in Egypt.

Over the years, other significant gas discoveries have been made and put on production by Eni: the onshore East Delta and El Qar'a, as well as the offshore Port Fouad, Darfeel, Baltim East, Baltim North, El Temsah, Tuna, Denise and Denise South fields.

Moreover, in other licenses, Ieoc shares with BP the offshore discoveries of Hapi, Hapiq, Seth, Alten and Taurt in the Ras El Bar Concession as well as the important discovery of Satis in the North El Burg Concession that is opening the high-potential Oligocene play in the Mediterranean and Seth South and Taurt North.

At the end of 2015 total gas production from the North Port Said, Temsah and Baltim Concessions reached around 20 million cubic meters/day. Moreover, Thekah and North Bardawil fields produced 0.8 million cubic meters/day.

Gas Industry Development

Eni has always believed in the potential of the Egyptian gas and has actively promoted the use of this energy source for industrial development and electricity generation. Thanks to the farsighted policy adopted by the Egyptian government since the late 80’s the country has become one of the Mediterranean’s biggest gas producers.

As well as meeting a growing domestic demand Egypt has also supported major gas export projects to meet world gas demand through LNG (Liquefied Natural Gas). Eni holds a 50% stake in Union Fenosa Gas that through its Egyptian affiliate, the Spanish Egyptian Gas Company - SEGAS, has constructed and operates the LNG plant within the port area of Damietta.

The Damietta plant has a design capacity of around 5 million tons of LNG per year. The plant produced the first LNG in December 2004 and loaded the first cargo in January 2005. The Damietta LNG plant has been the first ever in Egypt, thus allowing the country to join the club of LNG exporting countries.

Through Eni International BV, Eni also holds a 33.33% stake in United Gas Derivatives Co. that has constructed and operates an NGL (Natural Gas Liquids) extraction plant near El Gamil Petrobel production facility. The plant started its operations in September 2004, with a treatment capacity of 12.0 billion cubic meter/year and is capable of producing yearly 300,000 tons of LPG (Liquefied Petroleum Gas), 370,000 tons of propane and 1.2 million barrels of condensates.

Finally, Eni has a 40% participating interest in Gastec that is active in the Compressed Natural Gas business for vehicles.

Sustainability

Eni has been operating in Egypt since 1955, in compliance with the requirements of local regulations and international conventions and standards, pursuing growth while contributing to Egypt’s sustainable development. During its operations, Eni has confirmed its commitment towards the protection of the health and safety of its employees, contractors and local communities, and the environment.

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Safety

Protecting the safety of the workforce is fundamental to Eni’s business. In view of the high percentage of injuries affecting hands in oil&gas industry, Eni has launched specific campaign on Hand’s Working Safety. Ieoc has adopted this campaign and rolled it out in Egypt at all sites and operating companies for more than 500 workers. Also, Eni has realized that lifting and handling loads activities are one of the main causes of work-related injuries, therefore the company adopted “No Crushing Project – Loads Lifting and Handling” aiming at raising the awareness of its workers and enhancing their perception for the inherent risks. Ieoc carried out a comprehensive training and awareness campaign to all employees.

HSE Policy and Management System

The Health, Safety and Environment vision and goals of Ieoc are stated within the HSE Policy, following the Eni HQ requirements. A specific HSE Management System is in place addressing all the Eni expectations set out in the Eni HSE Management System Guideline, aimed at guaranteeing our HSE responsibility, setting HSE Strategic Objectives through the implementation of the Annual HSE plan.

The Ieoc HSE Integrated Management System (HSE IMS) is regularly updated and reviewed to ensure alignment with the local legislation. Eni HSE requirements and assure continuous improvement of its HSE performance across all processes and operations. The HSE IMS is subject to continuous reviews and audits and is maintained in compliance with the ISO 14001 and OHSAS 18001 international standards.

The HSE Performance of Ieoc and operating companies is strictly monitored by means of HSE Key Performance Indicators – KPI, and any deviation from the set targets is promptly dealt with to ensure achievement of objectives.
company and contractors workers involved in lifting operations in all operating sites. Among its efforts towards creating a stronger safety culture, Ieoc has rolled out the “Eni in safety” program at its operating companies focusing on local managers and supervisors focused on communication and training of safety. Relevant workshops have been delivered to managers at all levels within Petrobel and Agiba with the aim of strengthening the culture of safety and spread its values throughout the organization.

Road Traffic Safety (RTS) is a global concern, it is estimated that around 1.3 million people killed and 20 million are injured on roads around the world each year, and that this level is rising. The socio-economic and health impacts are substantial. Ieoc has always paid due attention to this area of concern. In this regard, Ieoc has revised and upgraded its management systems aiming at achieving full compliance with ISO 39001:2012 for Road Traffic Safety Management System. Ieoc believes that complying with these standard requirements is a good policy to help the organization to reduce and likely eliminate the incidence and the risks of death and serious injuries linked to road traffic accidents. In continuation of previous years efforts in preventing road accident, Ieoc continues to systematic delivery of Defensive Driving Training to all the company’s vehicle users and their family members. Also the company is in the process of updating its In Vehicle Monitoring Systems (IVMS) to be real time monitoring system and to be installed in all company and contractors vehicles.

In view of improving the competencies of employees participating in emergency roles, and in order to fully comply with Eni Emergency Response Competencies Assurance Practices and industry best practices, Ieoc will provide Emergency Response Specific trainings to 60 persons during 2015, on Incident Command System (ICS) series courses and International Maritime Organization (IMO) different Models.

Environment

As part of our commitment towards continuous improvement of its HSE performance and the protection of the environment, Ieoc has started two new environmental initiatives in 2015 to be implemented at both Petrobel and Agiba operating companies. The first initiative is to carry out an environmental monitoring survey at each of Petroco Plant in Abu Rudeis and at Meleiha Plant in the Western Desert for measuring and quantifying the fugitive emissions from the numerous emissions sources at the plants. The survey will be followed by the preparation of a Plan for Reduction of Fugitive Emissions which when implemented will also result in a reduction in production losses. The monitoring activities were completed in November 2015.

The second initiative was to carry out site-level Biodiversity and Ecosystem Services (BES) Assessments at selected operating sites (referred to as ‘assessment units’). This assessment shall be carried out by applying Eni best practice for the integration of BES considerations into projects at the operational production (OPP) phase.

The initial activities carried out in 2015 involved the collection / collation of secondary and GIS data pertaining to the main areas of interest within the Nile Delta and the development of a high level BES assessment report on selected assessment units where Ieoc/Eni operations are ongoing. This will be followed by onsite field surveys at the Nile Delta for developing a detailed site-level assessment and consequently developing an BES action plan for mitigation of impacts.

Other ongoing environmental projects that have started in previous years and are continued to be implemented in Agiba include: produced water disposal through re-injection that is carried out at Meleiha and other fields in the Western Desert, and the completion of the first and second phases of the project at Meleiha for Gas Power Generation Upgrade in 2012 and 2014 respectively, and activities shall continue with the implementation of the third phase of the project.

As for Petrobel (the treatment of contaminated soil at Abu Rudeis was carried out through the bioremediation project where the treatment of 400,000 tons has been successfully achieved over the previous years.

In 2015, the treatment of contaminated soil has continued in addition to the treatment of Oil Based Mud Cuttings, but through the operation of a Thermal Treatment Plant installed and available on site.

Finally, the Belayim Wastewater re-injection system has been implemented since 2011 at Abu Rudeis and is still in operation.
Eni at a Glance

Eni is an integrated energy company, engaged in oil and natural gas exploration, field development and production, as well as in the supply, trading and shipping of natural gas, LNG, electricity and fuels.

Through refineries, Eni processes crude oil and other oil-based feedstock to produce fuels and lubricants that are supplied to wholesalers or through retail networks or distributors.

Eni’s strategies, resource allocation processes and conduct of day-to-day operations underpin the delivery of sustainable value to all of our stakeholders, respecting the countries where the company operates and the people who work for and with Eni.

Integrity in business management, support to the Countries’ development, operational excellence in conducting operations, innovation in developing competitive solutions, sharing Eni’s people know-how and skills, integration of financial and non-financial issues in the company's plans and processes drive Eni in creating sustainable value. These elements lead to wise investment choices, prevention of risks and the achievement of strategic objectives in the short, medium and long term.

In 2015, Eni confirmed its presence in the Dow Jones Sustainability indices and in the FTSE4Good Sustainability index in the June half-yearly review.

Main Figures for 2015

- Adjusted operating profit: € 334 mln
- Cash flow from operations: € 12.2 bln
- Dividends paid per share: € 0.8
- Leverage: 0.31
- Estimated net proved hydrocarbon reserves: 6.89 bln boe
- Hydrocarbon production: 1,760 kboe/d
- Worldwide gas sales: 90.88 bcm
- Retail oil products sales in Europe: 8.89 mmtonnes
- Electricity sales: 34.88 TWh
- Service stations in Europe: 5,846