The decision on corporate acquisition of Sterling's wholly-owned subsidiary Midia Resources by Carlyle International Energy Partners (CIEP) Romania was published last week in Monitorul Oficial.

The acquisition includes license blocks 13 Pelican, 15 Midia, 25 Luceafarul and 27 Muridava, located in the Romanian Black Sea and containing a number of significant gas discoveries. Sterling holds a 65% operated interest in blocks 13 Pelican and 15 Midia, a 50% operated interest in block 25 Luceafarul, and a 40% non-operated interest in block 27 Muridava, all in the Romanian Black Sea.

CIEP will pay a cash consideration of USD 42.5 million to Sterling at completion. According to the press release of Carlyle Group in March "in addition to the initial consideration paid for the acquisition of Midia, CIEP will also fund the future development of the assets, which is expected to constitute a sizeable inward investment into Romania. The development project will focus on drilling, infrastructure construction, production and sale of gas to market. The current Midia team will remain in place, with additional resources added to deliver this important project, with the aim of the company becoming a significant regional energy player in the near term". Also capital for this investment came from CIEP, a USD 2.5 billion fund that invests in global oil and gas exploration and production, mid and downstream, oil field services and refining and marketing in Europe, Africa, Latin America and Asia.

Sterling announced that it has entered into an agreement (the "Romanian Sale Agreement") to sell its entire Romanian business to CIEP, an affiliate of the Carlyle Group on March 26. It was at the center of a major scandal when it received mining rights for Pelican and Midia perimeters after Romania won Hague sharing process with Ukraine on the Black Sea continental shelf. Sterling has decided to sell its Romanian business in order to focus its financial resources in the UK North Sea according to Sterling's Officers.

source: balkans.com