

Shell Exploration and Production BV, part of the Royal Dutch Shell Group, will explore Bulgaria's offshore Silistar 1-14 block for oil and natural gas deposits.

The gas field has an area of 6893 square kilometers and is located in the continental shelf of the exclusive economic zone of Bulgaria in the Black Sea.

The exploration agreement was signed in Sofia on Tuesday in the presence of Bulgarian Prime Minister Boyko Borisov, Energy Minister Temenuzhka Petkova and Eileen Wilkinson, regional vice-president of Shell.

The company will invest EUR 18.6 M (without VAT) in the explorations and will pay the Bulgarian state a bonus of EUR 4.9 M (without VAT).

The working programme foresees the establishment of a corporate social responsibility fund directed towards the seaside municipalities adjacent to the gas field and the University of Mining and Geology and Sofia University.

The agreement is for a duration of five years, with the option for two extensions of two years each, the energy ministry informs.

The proposed working programme includes seismic studies which will be conducted in accordance with national and European normative regulations. The studies will also comply with the health, safety and environmental standards of Shell.

Petkova identified the signing of the agreement as the most important step towards diversification of the natural gas sources for Bulgarian industrial and household consumers. In her words, the development and exploitation of own oil and natural gas resources are of key importance for reducing the dependence of Bulgaria on energy imports.

Ensuring the energy independence of the country is one of the most important priorities in the government's policy programme in the energy sector.

source: novinite.com