

**ROMGAZ**



Societatea Națională de Gaze Naturale Romgaz S.A. - Sucursala Tîrgu-Mureș - România

To:  
SNGN ROMGAZ SA  
Extraordinary General Meeting of Shareholders

**REQUEST FOR APPROVAL OF:**

***Concluding an Addendum for the amendment of the Service Contract dated December 19, 2013 (representing Annex C to the JOA December 19, 2013 concluded between SNGN ROMGAZ SA Mediaș and AMROMCO ENERGY SRL) with respect to the nature of services and the personnel required for implementing such services.***

In accordance with the provisions of articles 4.3.A, 4.3.B, 4.3.C contained in the JOA concluded between SNGN ROMGAZ SA Mediaș and AMROMCO ENERGY SRL, SNGN ROMGAZ SA Mediaș – Tg Mureș Branch shall supply certain services in connection with production enhancement operations performed by the Operator of the Incremental Production.

During an Operating Committee held in 2016, it was found that the activity carried out in connection with certain reservoirs exploited by ROMGAZ – AMROMCO joint venture generated losses. As such, the Joint Technical Subcommittee decided to analyze the causes generating loss (according to Operating Committee Protocol dated November 02, 2016 attached hereto).

The conclusions of the economic assessment made by Romgaz and Amromco pointed out that reservoirs ROȘIORU, FIERBINȚI, FINTA GHEBOAIA and GURA ȘUȚII generate losses (according to the Operating Committee Protocol dated February 28, 2017).

Therefore, following the Joint Technical Subcommittee meeting in connection with the reduction of operating expenses, the expenses reduction measures taken by Amromco (reduction of overhead and of operating expenses by reducing the number of personnel) were approved and it was agreed to review both the number of personnel and the items specified under Annex 1 of the Services Contract concluded between Amromco and

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Romgaz, and to adjust such to the current situation (according to the Operating Committee Protocol dated September 14, 2017, attached hereto).

The Operating Committee of December 07, 2017 agreed to reduce the total number of Romgaz personnel provided in Annex 1 to 68 people, administrative staff included).

Under these conditions, in order to secure an optimum and efficient employment of Romgaz personnel, according to **article 4.1 letter h) of the Services Agreement**, for the purpose of having a legal regulation of the situation at hand, it is required to conclude an Addendum to the Services Agreement concluded between the parties (according to Romgaz Tg Mures Branch letter no. 44550/December 27, 2017 and of Romgaz Tg Mures Branch letter no. 44580/December 27, 2017, attached hereto).

Taking into account the above-mentioned, we request SNGN Romgaz S.A. Extraordinary General Meeting of Shareholders to:

- APPROVE the signing of an Addendum to the Services Agreement dated December 19, 2013 (representing Annex C of the JOA concluded on December 19, 2013 between SNGN ROMGAZ S.A. – Tg. Mures Branch and AMROMCO ENERGY SRL) regarding the nature of services and the personnel required to implement such services.

Annexes hereto:

- Annex 1. Operating Committee Protocol dated November 02, 2016 – Because of the confidentiality of the information contained in this document, ROMGAZ shall make this document available to the interested shareholders after executing a Confidentiality Agreement between ROMGAZ and the shareholder.
- Annex 2. Operating Committee Protocol dated February 28, 2017- Because of the confidentiality of the information contained in this document, ROMGAZ shall make this document available to the interested shareholders after executing a Confidentiality Agreement between ROMGAZ and the shareholder.
- Annex 3. Operating Committee Protocol dated September 14, 2017- Because of the confidentiality of the information contained in this document, ROMGAZ shall make this document available to the interested shareholders after executing a Confidentiality Agreement between ROMGAZ and the shareholder.
- Annex 4. Operating Committee Protocol dated December 07, 2017- Because of the confidentiality of the information contained in this document, ROMGAZ shall make this document available to the interested shareholders after executing a Confidentiality Agreement between ROMGAZ and the shareholder.
- Annex 5. Letter of ROMGAZ, Tg Mureş Branch no. 44550/December 27, 2017- Because of the confidentiality of the information contained in this document, ROMGAZ shall make this document available to the interested shareholders after executing a Confidentiality Agreement between ROMGAZ and the shareholder.
- Annex 6. Letter of ROMGAZ, Tg Mureş Branch no. 44580/December 27, 2017 - Because of the confidentiality of the information contained in this document, ROMGAZ shall make this document available to the interested shareholders after executing a Confidentiality Agreement between ROMGAZ and the shareholder.
- Annex 7. JOA (Joint Operating Agreement) concluded between SNGN Romgaz SA Medias and AMROMCO ENERGY SRL- Because of the confidentiality of the information contained in this

document, ROMGAZ shall make this document available to the interested shareholders after executing a Confidentiality Agreement between ROMGAZ and the shareholder.

- Annex 7. Addendum to the Service Agreement dated December 19, 2013 (representing Annex C to the JOA dated December 19, 2013)

Chairman of SNGN ROMGAZ SA Board of Directors  
NISTORAN DORIN-LIVIU

