



Minister of Climate and Environment

DGK-WK-I.761.55.2022.12.BG
Warsaw, April 5, 2023

DECISION

Acting on the basis of Article 37, section 2 of the Act of March 6, 2018 – *Entrepreneurs' Law* (Journal of Laws of 2023, item 221, as amended) and Article 21, section 1, point 2, Article 22, section 1, point 2, in conjunction with Article 30, Article 32, Article 34, section 1 of the Act of June 9, 2011 – *Geological and Mining Law* in the wording in force on December 31, 2014 (Journal of Laws of 2014, item 613, 587 and 850), in conjunction with Article 8, section 4 of the Act of July 11, 2014 *amending the Act – Geological and Mining Law and certain other acts* (Journal of Laws, item 1133, as amended) and Article 11 of the Act of May 25, 2017 *amending the Act – Geological and Mining Law and certain other acts* (Journal of Laws, item 1215), as well as Article 104 of the Act of June 14, 1960 – *Code of the Administrative Procedure* (Journal of Laws of 2022, item 2000, as amended), having examined the application of Baltic Gas Sp. z o.o. i Wspólnicy Sp.k. with its registered office in Gdańsk and having obtained the approvals and opinions of relevant cooperating authorities, required under the *Geological and Mining Law*

I hereby decide

to amend license No. 2/2006 of November 7, 2006, issued by the Minister of the Environment in favor of Przedsiębiorstwo Poszukiwań i Eksploatacji Złóż Ropy i Gazu PETROBALTIC S.A. with its registered office in Gdansk (at present LOTOS Petrobaltic S.A. with its registered office in Gdansk) for the extraction of natural gas from part of the "B6" deposit, as amended by a decision of August 29, 2008 (ref. No.: DGiKGe-4770-52/5363/08/MO), transferred to Baltic Gas Sp. z o.o. i Wspólnicy Sp.k., with its registered office in Gdańsk, by decision of March 13, 2013 (ref. No.: DGKw-4771-28/10133/13/AS) as corrected by an order of April 8, 2013 (ref. No.: DGKw-4771-28/13600/12/AS), subsequently amended by a decision of December 5, 2014 (ref. No.: DGK-IV-4771-30/49227/14/AC), by decision of July 25, 2017 (ref. No.: DGK- IV.4771.4.2017.BG), by a decision of July 18, 2018 (ref. No.: DGK-IV.4771.42.2018.BG) and by a decision of June 30, 2020 (ref. No.: DGK-IV.4771.77.2019.BG), as follows:

1) paragraph 1 of the license shall now read as follows:

"1. To grant to Baltic Gas Sp. z o.o. i Wspólnicy Sp.k. with its registered office in Gdańsk (NIP [tax identification number]: 5833156214, KRS: 0000440043) the license for the extraction of natural gas from the part of "B6" deposit (documented to the depth of 1,462 m b.s.l.);"

2) the introductory sentence in paragraph 2 of the license shall now read as follows:

"For the part of the "B6" deposit the "Smółdzino" mining area is established, located in the area of the Polish Exclusive Economic Zone of the Baltic Sea, with the total area of 13,057,216 m², with the borders represented by the lines connecting points (1–8) with the following geographic coordinates:";

3) paragraph 3 of the license shall now read as follows:

"3. The extraction of minerals shall be carried out using the borehole method.";

4) paragraphs 6–10 of the license shall now read as follows:

"6. The license shall be granted until December 31, 2043."

7. The operations under the license shall commence no later than by January 1, 2027.

8. The conditions to be met by the entrepreneur using the license are determined in the agreement of November 7, 2006 establishing mining usufruct, amended by Annex No. 1 of August 29, 2008, concluded by and between the State Treasury, represented by the Minister of the Environment, and Przedsiębiorstwo Poszukiwań i Eksploatacji Złóż Ropy i Gazu PETROBALTIC S.A. with its registered office in Gdańsk (at present LOTOS Petrobaltic SA with its registered office in Gdańsk), amended by Annex No. 2 of July 25, 2017 and Annex No. 3 of June 30, 2020, concluded by and between the State Treasury, represented by the Minister of the Environment, and Baltic Gas Sp. z o.o. i Wspólnicy Sp.k. with its registered office in Gdańsk, and Annex No. 4 of April 5, 2023, concluded by and between the State Treasury, represented by the Minister of the Environment and Baltic Gas Sp. z o.o. i Wspólnicy Sp.k. with its registered office in Gdańsk."

9. The extraction of minerals shall be carried out in accordance with the decision of the Regional Director of Environmental Protection in Gdańsk on environmental conditions of May 16, 2014 (ref. No: RDOŚ-Gd-WOO.4211.12.2014.ER.8), defining the environmental conditions for the implementation of the project, together with the decision of the Regional Director of Environmental Protection in Gdańsk of January 10, 2020 (ref. No: RDOŚ-Gd-W00.400.99.2019.KSZ.I) stating that the conditions for the implementation of the project specified in the decision on environmental conditions are valid.

10. This license does not affect the rights of landowners and does not relieve them of the need to comply with further requirements set forth in regulations, especially the Act – *Geological and Mining Law*, the Act on *Maritime Areas of the Republic of Poland and Maritime Administration*, the Convention on the Protection of the Marine Environment of the Baltic Sea Area, and those concerning land use, protection of the environment, agricultural and forest land, nature, water and waste, ensuring public safety and public health."

Grounds

By decision of November 7, 2006 the Minister of the Environment granted to Przedsiębiorstwo Poszukiwań i Eksploatacji Złóż Ropy i Gazu PETROBALTIC S.A. with its registered office in Gdansk (at present LOTOS Petrobaltic S.A. with its registered office in Gdansk) license No. 2/2006 for the extraction of gasoline natural gas from B4 deposit located in the area of the Polish Exclusive Economic Zone of the Baltic Sea, amended subsequently by a decision of August 29, 2008 (ref. No.: DGiKGe-4770-52/5363/08/MO), transferred to Baltic Gas Sp. z o.o. i Wspólnicy Sp.k., with its registered office in Gdańsk, by a decision of March 13, 2013 (ref. No.: DGKw-4771-28/10133/13/AS) as corrected by an order of April 8, 2013 (ref. No.: DGKw-4771-28/13600/12/AS), subsequently amended by a decision of December 5, 2014 (ref. No.: DGK-IV-4771-30/49227/14/AC), by a decision of July 25, 2017 (ref. No.: DGK- IV.4771.4.2017.BG), by a decision of July 18, 2018 (ref. No.: DGK-IV.4771.42.2018.BG) and by a decision of June 30, 2020 (ref. No.: DGK-IV.4771.77.2019.BG).

Through the application of July 20, 2022 (supplemented on January 13, 2023) Baltic Gas Sp. z o.o. i Wspólnicy Sp.k. with its registered office in Gdańsk applied for an amendment to the license in question with respect to its extension until December 31, 2043 and a change of the date of the commencement of operations (from July 1, 2023 to January 1, 2027).

Pursuant to Article 8, section 4 of the Act of July 11, 2014 *amending the Act – Geological and Mining Law and certain other acts* (Journal of Laws, item 1133, as amended), with respect to the exercise of the license for the production of hydrocarbons from deposits, granted under regulations in force before

January 1, 2015, including to the amendment of these licenses, the regulations hitherto in force shall be applied; however, with respect to the amendment to the license concerning the extension of its validity, Article 49y, sections 5–6a of the Act of June 9, 2011 – *Geological and Mining Law* (Journal of Laws of 2023, item 633) shall apply accordingly. In view of the foregoing, the application in question was examined based on the provisions of the Act of June 9, 2011 – *Geological and Mining Law* in the version in force on December 31, 2014 (Journal of Laws of 2014 items 613, 587 and 850) and Article 49y, sections 5-7 of the Act of June 9, 2011 – *Geological and Mining Law* (Journal of Laws of 2023, item 633).

At the same time, pursuant to Article 11 of the Act of May 25, 2017 *amending the Act – Geological and Mining Law and certain other acts* (Journal of Laws, item 1215), the provisions of Article 8 of the Act of July 11, 2014 *amending the Act – Geological and Mining Law and certain other acts* shall apply to the exercise of the license for the production of hydrocarbons from deposits within the offshore areas of the Republic of Poland granted on the basis of the provisions in force before January 1, 2015; however, with respect to amendments to the license, Article 23, section 1, point 1a of the Act – *Geological and Mining Law* shall apply.

Due to the fact that the area covered by the license was not extended in connection with the license amendment, pursuant to Article 49, section 2 of the *Geological and Mining Law*, the tender procedure shall not apply. At the same time, Article 34, section 1 of the Act – *Geological and Mining Law* indicates that the provisions on granting the license shall be applied accordingly to the amendment to the license.

The planned operations, to the extent defined in the application, under the Act of October 3, 2008 *on the provision of information on the environment and its protection, public participation in environmental protection and environmental impact assessments* (Journal of Laws of 2022, item 1029, as amended) and implementing provisions of the Regulation of the Council of Ministers of September 10, 2019 *on projects likely to have a significant impact on the environment* (Journal of Laws, item 1839), constitute a project which may always have a significant impact on the environment, for which the preparation of an Environmental Impact Assessment Report is obligatory. The entrepreneur was already in the possession of the decision of May 16, 2014 (ref. No.: RDOŚ-Gd-W00.4211.12.2014.ER.8) on environmental constraints issued by the Regional Director for Environmental Protection in Gdańsk. At the same time, the application for amendment to the license was accompanied by a decision of the Regional Director of Environmental Protection in Gdańsk of January 10, 2020 (ref. No.: RDOŚ-Gd-W00.400.99.2019.KSZ.1) stating that the conditions for implementation of the project specified in the decision on environmental conditions are valid. Pursuant to paragraph 9 of the license, the entrepreneur is obligated to perform works in accordance with the decision on environmental conditions specified above.

As stated in Article 8, section 2, Article 23, section 1, point 3, and Article 34 of the Act – *Geological and Mining Law* and Article 106 of the Act of June 14, 1960 – *Code of the Administrative Procedure* (Journal of Laws of 2022, item 2000, as amended), the licensing authority agreed the draft decision in the case in question with the minister competent for maritime economy (Minister of Infrastructure) and the minister competent for mineral deposit management (Minister of State Assets). The Minister of State Assets agreed on the draft decision sent within the statutory deadline, while the Minister of Infrastructure took a position, but after the statutory deadline. In accordance with Article 9 of the Act – *Geological and Mining Law*, the licensing authority considered the failure to take a position within the above-mentioned deadline as acceptance of the decision in the case in the wording submitted by the licensing authority.

At the same time, pursuant to Article 23, section 1, point 1a of the Act – *Geological and Mining Law*, in conjunction with Article 11 of the Act of May 25, 2017 *amending the Act – Geological and Mining Law and certain other acts*, the licensing authority sent a draft decision to the President of the State Mining Authority for its opinion on the technical feasibility of the activity and ensuring its safety, who did not take a position on the case in question within the statutory deadline. In accordance with Article 9 of the Act – *Geological and Mining Law*, the licensing authority considered the failure to take a position within the above-mentioned deadline as acceptance of the decision in the case in the wording submitted by the licensing authority.

Pursuant to Articles 30 and 32 of the Act – *Geological and Mining Law*, the license specifies the validity term of the license and the new date of the commencement of operations.

Reserves to be extracted – industrial reserves were established in *Appendix No. 1 to the Geological and Investment Documentation of the “B6” natural gas field*, approved by the decision of the Minister of Climate and Environment of January 10, 2023 (ref. No.: DGK-WD- II.735.25.2022.JT.9). According to this appendix to the documentation, industrial reserves in the part of the deposit to be developed as of December 31, 2021 amount to 2,327 million m³ in category C, while non-industrial resources amount to 778.90 million m³ in category C.

Pursuant to Article 28 of the Act – *Code of the Administrative Procedure*, each person whose legal interest or obligation the proceedings refer to shall be deemed to be a party to the pending proceedings.

In the course of the proceedings, the licensing authority ensured the party to the proceedings active participation in every stage of the proceedings, and prior to the issuance of this decision the authority made it possible for the party to present its opinion on the collected evidence and materials as well as the requests submitted in the case.

While conducting the proceedings in this case, the authority did not find the legal and factual grounds for refusing to amend license No. 2/2006, and therefore it became necessary to issue this decision at the request of Baltic Gas Sp. z o.o. i Wspólnicy Sp.k.

In accordance with Article 37 of the Act of June 9, 2011 – *Geological and Mining Law*, in connection with Article 8, section 4, point 9 of the Act of July 11, 2014 *amending the Geological and Mining Law and certain other acts*, in the event that an entrepreneur violates the requirements of the Act, in particular those concerning environmental protection or rational deposit management, or fails to meet the conditions set forth in the license, and fails to undertake the activities specified therein or permanently ceases to carry them out, the licensing authority shall summon the entrepreneur to remedy the violations within a specified period. If the violation is not remedied, the licensing authority may either revoke the license without compensation or limit its scope.

Therefore, the decision was made as stated hereinabove.

I n s t r u c t i o n

A party dissatisfied with the decision may, within 14 days from its receipt, applying appropriate regulations concerning appeals from decisions, request the Minister of Climate and Environment to reconsider the case.

A party may file a complaint against the decision with the Voivodeship Administrative Court in Warsaw within 30 days from the date of its delivery, without exercising the right to apply to the Minister of Climate and Environment for reexamination of the case. The complaint is filed through the Minister of Climate and Environment. The fixed court fee for the complaints concerning licenses, permissions and permits to conduct business activity in the field of geology and mining amounts to PLN 1,000. The party may apply for assigning the right to obtain aid, upon request submitted to the Voivodeship Administrative Court in Warsaw.

During the course of the period for filing the application for reexamination of the case, the party may waive the right to apply to the Minister of the Environment for reexamination of the case. As of the date of delivery of the representation on waiver of the right to apply for reexamination of the case by the last party to the proceedings to the Minister of Climate and Environment, the decision becomes final and binding, which means that it is not possible to appeal against it to the Voivodeship Administrative Court. It is not possible to effectively withdraw the representation on waiver of the right to apply for the case reexamination.

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strone do Wojewódzkiego
niecfe oświadczenia o zrzeczeni
sprawy



PL	EN
MINISTER KLIMATU I ŚRODOWISKA	MINISTER OF CLIMATE AND ENVIRONMENT

p.p. Minister
Head of the Department of Geology and
Geological Licenses

Lidia Król

For the issuance of the decision, a stamp duty of PLN 308.00 has been collected, paid on August 6, 2022, to the account of the Taxpayer Service Center of the Capital City of Warsaw Municipal Office, pursuant to Article 6, section 1, point 3 of the Act of November 16, 2006 on stamp duty (Journal of Laws of 2022, item 2142, as amended) in accordance with the annex to the Act (Part III, points 44 and 46).

Recipient (against confirmation of receipt):

1. Baltic Gas Sp. z o.o. i Wspólnicy sp.k with its registered office in Gdańsk
2. to file

For the attention of (ePUAP):

1. Maritime Office in Gdynia
2. Ministry of Infrastructure in Warsaw
3. Ministry of State Assets in Warsaw
4. Ministry of Finance in Warsaw
5. State Mining Authority in Katowice
6. District Mining Authority in Gdańsk
7. National Fund for Environmental Protection and Water Management in Warsaw
8. Province Inspectorate for Environmental Protection in Gdańsk
9. Regional Directorate for Environmental Protection in Gdańsk
10. Polish Geological Institute – National Research Institute, Register of Mining Areas
11. Commander-in-Chief of the Border Guards