We have started considering technological solutions development not only as our core operations supplement, but also as a separate process with intrinsic value. Today, technology is not just a way of responding to challenges, but also a separate investment portfolio. In order to ensure the product developed enjoys wide-ranging demand from business once it goes into reproduction, you need a good understanding – right from the very beginning – as to exactly what value it is going to bring to the end-customer or end-user. For instance, hydraulic fracturing software designed by the company has become one of the most successful and promising projects in the oil industry.

Alexey Vashkevich
Director for Technological Development,
Gazprom Neft PJSC

₽25 billion

invested in 2019 under the Gazprom Neft Innovative Development Programme

2019 HIGHLIGHTS

p. 109 **The company opened an Integrated Upstream Engineering Centre**

An Integrated Upstream Engineering Centre (a division of the Bazhenov Technology Centre) was opened at the Skolkovo Institute of Science and Technology. It provides R&D support for non-traditional hydrocarbon reserves development.

TECHNOLOGICAL DEVELOPMENT

High technology

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is key to solving major challenges

New technology will enable the company to manage large oil production projects effectively and achieve a leading position in strategic areas.

First stage of the Technology Strategy (completed in 2019)

27 projects completed

OUTCOMES

₽130 billion
total NPV across the portfolio

110 mtoe
incremental hydrocarbon production by 2025

600 mtoe
incremental hydrocarbon reserves by 2025

p. 110 **The company established the New Industry Ventures Fund**

A joint venture fund, New Industry Ventures, was established by the company together with Gazprombank, RVC and VEB Innovations. The fund will invest in companies developing new materials, technologies, products and services for the oil and gas industry.

p. 111 **Russian-made seabed stations conduct offshore seismic surveys**

Seismic surveys at the Ayashsky licence block in the Sea of Okhotsk is an example of import substitution in practice. During these surveys, Gazprom Neft has become the first oil company in Russia to use the domestically produced standalone "CRAB" seabed station for seismic surveys. Previously, these surveys were largely conducted using the foreign equipment.

A digital system helps to find promising formations

The company has achieved incremental oil production at the Vyngapurovskoye field during pilot tests, using digital system recommendations. The system was designed to search for the missed intervals. A machine-learning model is used to process geological data and identify promising formations that have not been detected using conventional methods due to their small size or complex structure.