

The start of hydrocarbon explorations off the coast of Crete has already been pushed to 2021 due to the coronavirus pandemic. The trend continued in 2021 and upstream companies are forced to cut down expenses, especially those concerning the development of new fields. A consortium consisting of US ExxonMobil, French Total and Hellenic Petroleum (ELPE) has decided to postpone seismic surveys of two offshore blocks south and west of the island of Crete for the winter of 2021/22.

The two blocks, titled “west of Crete” and “southwest of Crete,” were conceded to the consortium through an international tender announced in 2017 after the companies themselves expressed an interest. The offshore areas to be surveyed cover a total of 40,000 square kilometers. According to the contracts, the surveying phase will last for eight years and be split into three stages, the last of which will include exploratory drilling.

The first stage concerns geophysical studies and obtaining 2D seismic data on the two offshore blocks. That will be followed by the collection of 3D seismic data, and the final stage provides for drilling up to 4 kilometers below the waves. During the exploratory process the state revenues are estimated at 1.5 million euros in a signature bonus payment and another 2.5 million euros in surface fees. The maritime area off Crete is considered a hopeful target for the discovery of hydrocarbons as it has similar geological features to other areas in the Eastern Mediterranean (Cyprus, Israel) where significant natural gas reserves have been discovered. However, due to the great depth, experts say it will take the discovery of considerable quantities of mineral wealth (equal to over 500 million barrels) for its extraction to be financial sustainable.