

Montenegro: First oil well in the Adriatic by the end of 2019

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Date : October 21, 2018

Director of the Montenegrin Hydrocarbon Agency Vladan Dubljevic said that the first ship for seismic hydrocarbon exploration will sail into Montenegrin waters on 1 November this year and the first well in the Adriatic Sea should be drilled by the end of 2019.

Dubljevic said in an interview that concessionaires already pay to the Montenegrin state the fee of around one million euros per year, but it will become more profitable upon finding oil and gas in the Montenegrin part of the Adriatic Sea. According to him, the state is entitled to between 62 and 68 % of the profit from hydrocarbon exploitation.

Explorations carried out in the past century have proven that there are oil and natural gas deposits under the Adriatic. However, the exact location, depth and volume of these deposits will be determined by the upcoming seismic explorations.

In mid-May 2014, three consortia submitted bids in the tender for awarding the hydrocarbon exploration and production concessions in the Adriatic Sea. Tender referred to 13 concession blocks with overall area of 3,000 km². The bids were submitted by the consortium of Marathon Oil Corporation (USA) and OMV (Austria), consortium of Eni (Italy) and Novatek (Russia) and consortium of Energean Oil & Gas (Greece) and Mediterranean Oil and Gas (England). In early February 2016, the concession contract for oil and gas exploration in the Adriatic Sea has been signed with Italian-Russian consortium consisting of companies Eni and Novatek, which includes two exploration periods that last four plus three years, while the contract with Energean for two offshore blocks, 4219-26 and 4218-30, was signed in March 2017.

In early 2018, Montenegrin Ministry of Economy said that it is planning to publish another tender for awarding a concession for the exploration of oil and gas in the Adriatic Sea in the autumn, in order to collect data, process and interpret it, thus