

Montenegro, Marko Perunovic said that exploratory drillings in the seabed near Ulcinj promises to find a large hydrocarbon deposit

State Secretary for Energy and Mining at the Montenegrin Ministry of Capital Investments Marko Perunovic said that exploratory drillings in the seabed near Ulcinj promises to find a large hydrocarbon deposit, adding that the current depth of the well is 4,700 meters.

It is very optimistic that an economically viable deposit will be found in the formation of fractured carbonates at a depth of 6,500 meters. There are several other interesting concession areas, from the aspect of oil and gas exploration, and, depending on the results of ENI/Novatek exploratory wells, new tenders will be launched soon after.

Perunovic explained that, after confirming the reserves in the existing deposit, the next phase is the development of the deposit, which means additional wells and the development of a production model. In the case of a positive scenario, the first production is expected in three years.

However, the construction of refineries in Montenegro is not planned, which is in favor of preserving the environment, and the plan is to sell the produced oil as crude.

In late March, the consortium of Italian Eni and Russian Novatek has launched the first exploratory oil drilling activities in the sea area between Bar and Ulcinj, some 28 kilometers from the coast. The activities are expected to take four and a half to six months.

In 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 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. Energean is still in the process of finding a partner for the project.