

Houston-based Marathon Oil and Austrian energy group OMV returned seven offshore oil and gas exploration licences to Croatia, an OMV spokesman said on Wednesday, as a slump in prices of oil forces the oil industry to cut investment. Croatia, hoping to boost its oil and gas sector, had awarded the licences to a consortium formed by the two companies in January, with Marathon as the operator holding a 60-percent stake and OMV the rest.

A source familiar with the matter said that uncertainties about the exact border between Croatia and Montenegro had also affected the planning of the blocks.

Croatia's Hydrocarbon Agency, which supervises the project, confirmed on its website the consortium had withdrawn and said a new licensing round for both onshore and offshore exploration would be called in September. 'The project is continuing as planned. From day one, we've seen serious interest from global companies, which is confirmed by daily queries about the possible date of a new licensing round,' it said.

Croatia had expected to sign contracts with the oil companies this month, despite opposition to offshore drilling in the Adriatic from environmental groups and some opposition parties, who said drilling could harm Croatia's tourism industry.

Two other licences in the January round had gone to INA and one to a consortium of Italy's ENI and London-based Medoilgas.

Croatia is also set to hand out a round of onshore exploration licences to companies including Vermilion Zagreb Exploration, a unit of Canada's Vermilion, Croatia's INA and Nigeria-based Oando.

source: energia.gr