

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:6097

ANSWERED ON:05.05.2005

SHARE IN IRAN OIL FIELDS

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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

(a) whether the Government has got any assurance of a share in two oil-producing fields in Iran; and

(b) if so, the details thereof?

**Answer**

THE MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) & (b): In the first meeting of the India-Iran Joint Working Group (JWG) held on 8-9 May, 2003 in New Delhi and continued in Tehran on 11-12 May, 2003 the Iranian side agreed to negotiate the award of a discovered and a semi-discovered Iranian oilfield to an Indian public sector oil company, subject to technical and commercial competitiveness. In subsequent bilateral discussions between the Minister of Petroleum of the Islamic Republic of Iran and Secretary, Petroleum and Natural Gas, Government of India during the 9th International Energy Forum (IEF) meeting held in Amsterdam on 23rd May 2004, the Iranian Minister offered OVL a 20% share in the Khushk and Hosseinieh Field (jointly termed as the "Yadavaran Field").

Also, in a meeting between the Minister of Petroleum and Natural Gas, Government of India and the Minister of Petroleum, Islamic Republic of Iran, in Vienna on 16.9.2004, the Iranian side offered 20% of the rights and obligations of the service contract between the National Iranian Oil Company (NIOC) and a third party to the Indian consortium in the Yadavaran Oilfield out of the reserved part of the rights and obligations.

In the light of the understandings reached, a Memorandum of Understanding was signed on 7.1.2005 between NIOC and ONGC-Videsh Ltd. (OVL) which, inter alia, includes the following:-

i) Upon execution of service contract between NIOC and the Operator Contractor, NIOC/NIOC Affiliate shall offer to assign 20% rights and obligations in the service contract for development of Yadavaran oil field to OVL, subject to OVL's acceptance of the offer letter from NIOC.

ii) OVL shall also have the option to participate on nomination basis, in the development of Jufeyr oilfield as operator with 100% rights and obligations on terms and conditions of the service contract, subject to the purchase of LNG to be produced from the above field.

iii) OVL have the option, also to participate in the development of North Azadegan field, on nomination basis with 75% rights and obligations on the same terms and conditions as for the Jufeyr field. The participation depends upon the techno economic evaluation of the field.