

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

UNSTARRED QUESTION NO:1272
ANSWERED ON:03.08.2006
OIL EXPLORATION CONTRACTS IN SRI LANKA
Nayak Shri Ananta;Singh Shri Chandra Bhushan

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

- (a) whether Sri Lanka has invited Indian Oil Companies to explore oil along the coastal areas of Sri Lanka;
- (b) if so, the details thereof;
- (c) whether any agreement has been entered into with Sri Lanka in that regard; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) to (d): As a follow up to a shared desire between India and Sri Lanka to collaborate in E&P activities in Sri Lanka, and as a sequel to the visit of the then Minister of Petroleum and Natural Gas of India to Colombo in May, 2003, a high level delegation from ONGC visited Sri Lanka in December, 2003 for discussions. It was considered that in view of the work already carried out by ONGC in the Cauvery basin, where significant reserves have been established, further exploration in the same area on the Sri Lankan side could be productive on account of geological similarity. It was, therefore, proposed that ONGC/OVL should submit a suitable proposal for acquiring the blocks in the Gulf of Mannar region in the western offshore of Sri Lanka. OVL has purchased seismic data from M/s. TGS NOPEC for Gulf of Mannar to examine the feasibility of their participation in E&P activities in the area.

GAIL (India) Limited had also approached the Sri Lankan Government in October 2005 with the objective of securing a few E&P blocks through the negotiation route. Subsequently, a GAIL team visited Colombo on 26-27 October 2005 and held discussions with the Govt. of Sri Lanka. GAIL was advised to examine the seismic data and inform the Board of Investments of Sri Lanka about blocks of interest to it. Regarding award of E&P blocks on nomination basis, GAIL has reported that the Sri Lankan side has informed that a bilateral MoU/Protocol would be entered between the Governments of India and Sri Lanka for awarding 2 or 3 blocks to Indian parties.