

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

UNSTARRED QUESTION NO:589

ANSWERED ON:03.03.2005

AGREEMENT BETWEEN ONGC VIDESH AND RUSSIAN OIL COMPANY

Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Tripathy Shri Braja Kishore

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

- (a) whether ONGC Videsh Limited and Russian oil major have agreed to jointly bid for blocks belong to the Russian Government;
- (b) if so, the salient features of the agreement signed in this regard; and
- (c) the time by which the production from such blocks is likely to be started?

Answer

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

(a): ONGC Videsh limited (OVL) and Rosneft are already partners in Sakhalin-I project in Russia, in which OVL has 20% stake.

Further discussions about possible areas of collaboration have been held at Ministerial, official and commercial level on this subject, and encouraging progress has been made in this regard, but no commercial agreements have as yet been concluded for joint bidding by ONGC Videsh Ltd. and any Russian oil major for oil and gas blocks in Russia.

(b)&(c): In respect of Sakhalin-I project, OVL will get a share in production as per the formula given in the Production Sharing Agreement (PSA). Limited production of oil and gas from the project is expected from 2005-06 and full production is expected from the last quarter of 2006-07.