

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

UNSTARRED QUESTION NO:1316
ANSWERED ON:04.03.2010
ONGC S OIL DEAL WITH VENEZUELA
Majhi Shri Pradeep Kumar

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

- (a) whether Oil and Natural Gas Corporation has bagged oil deal in Venezuela in the recent past
- (b) if so, the details in this regard; and
- (c) the terms and conditions of the deal?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a) to (c): The consortium of ONGC Videsh Limited (11.0%), Indian Oil Corporation Limited (3.5%), Oil India Limited (3.5%), Repsol YPF (11.0%) and Petroliam Nasional Berhad ("PETRONAS", 11.0%), (collectively, the `Consortium`), was selected on 10th February 2010 by the Government of the Bolivarian Republic of Venezuela for awarding a 40% ownership interest in a Mixed Company which will develop the Project 1 located in the Orinoco Heavy Oil Belt. The Corporaci`n Venezolana del Petr`leo (`CVP`), a subsidiary of Petr`leos de Venezuela S.A. (`PDVSA`), Venezuela`s state oil company, will hold the remaining 60% equity interest.

The Mixed Company will build heavy oil production facilities, upgrading facilities and associated infrastructure. The upstream production facilities are expected to produce around 400,000 barrels per day of extra heavy oil of which approximately 200,000 barrels per day will be upgraded into light crude oil.

The execution of contract/agreement would be as per guidelines for the selection of shareholders for mixed companies.