

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

UNSTARRED QUESTION NO:6657

ANSWERED ON:06.05.2010

NEW EXPLORATION LICENSING POLICY

Adsul Shri Anandrao Vithoba; Dharmshi Shri Babar Gajanan; Yadav Shri Dharmendra

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

- (a) whether there has been a sharp rise in exploration activities after the initiation of the New Exploration Licensing Policy (NELP);
- (b) if so, the details thereof;
- (c) the details of area under exploration in the pre-NELP period the increase after initiation of the NELP; and
- (d) the extent to which the import bill has been reduced after the initiation of the NELP?

Answer

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

(a) & (b). Yes Madam, under the seven bid rounds of New Exploration Licensing Policy (NELP) held so far, 203 exploration blocks have been awarded in onland and offshore area, including deepwater area, to National Oil Companies and Private Companies. The pace of exploration activities in the country has increased manifold after the introduction of NELP. The major achievements of NELP are as under:

About 2,73,487 Line Kilo Meter (LKM) of 2D and 1,37,480 Sq.KM of 3D seismic data acquired, processed and interpreted and 243 exploratory well have been drilled in NELP blocks so far

78 hydrocarbon discoveries (23 oil and 55 gas) made in 23 blocks, including major gas discoveries in Krishna-Godavari deepwater area

Reserves accretion to the tune of 642 MMT (O + OEG) realized from NELP discoveries as on 01.04.2009

Commercial production of oil and gas commenced from 6 discoveries, including first deepwater oil and gas production in the country. Current oil and gas production from these discoveries is about 32,000 bbl/day of oil and 62 MMSCMD of gas respectively. The gas production from NELP blocks during 2009-10 was about 30% of country's total gas production during the year.

Exploration and Development investment has been made in NELP blocks as on 01.04.2010 is about US \$ 13.81 Billion.

(c) Before the Launch of NELP in 1999, the exploration activities were carried out primarily by National Oil Companies viz. Oil and Natural Gas Corporation & Oil India Limited in blocks awarded to them on nomination basis. Further, under the Production Sharing Contract (PSC) regime, an area of about 0.15 Million Sq.Km (i.e, 5% of the total sedimentary area of 3.14 Million Sq. Km) was awarded under the Pre-NELP rounds for 28 exploration blocks prior to launch of NELP.

Under seven bid rounds of NELP held so far, about 1.39 Million Sq.Km area has been awarded for exploration, which is about 44% of the total sedimentary area of the country. Therefore, after the launch of NELP, the total area awarded under the PSC regime for exploration in the country increased to 1.54 Million Sq.Km, which is about 49% of the total sedimentary area.

(d) The oil import bill has been reduced by the extent of oil production from NELP discoveries.