

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

UNSTARRED QUESTION NO:850
ANSWERED ON:29.07.2010
SHORTFALL IN PRODUCTION OF ONGC
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether oil and Natural Gas Corporation Ltd. (ONGC) has registered a shortfall in production from domestic fields in spite of an increase in reserves;
- (b) if so, the reasons therefor and the steps taken by the Government in this regard;
- (c) whether ONGC proposes to increase its drilling capacity to increase its production; and
- (d) if so, the details thereof?

Answer

Minister of State in the Ministry of PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA)

(a) and (b) The details of Oil and Natural Gas Corporation's (ONGC) actual crude oil and natural gas production during the last three years are as under:

Year	Oil (MMT)	Gas (BCM)
2007-08	25.944	22.334
2008-09	25.366	22.486
2009-10	24.671	23.109

From the above table, it can be seen that there is a marginal decline in crude oil production. With sustained exploratory efforts, ONGC has been able to maintain reserve replacement ratio of more than one. However, this is not reflected in substantial increase in crude oil and gas production mainly because majority of accretions in recent years have been in the offshore areas where more lead time is required for infrastructure development and putting them on production. These discoveries in the offshore areas are at different stages of delineation/ appraisal and once put on production are likely to give significant improvement in oil and gas production.

Also majority of its producing fields have a long production history and natural decline has set in these fields.

ONGC has taken several measures to increase oil and gas production, which include the following:

- (i) Use of stimulation techniques for increasing production from existing fields.
- (ii) Application of Enhanced Oil Recovery/Improved Oil Recovery techniques for increasing recovery factor from existing fields.
- (iii) Arresting decline from ageing fields.

(c) and (d) ONGC has planned and deployed adequate drilling rig resources (32 offshore rigs and 76 onshore rigs) as per approved work programme. The rig resources requirement is periodically reviewed for supplementing the efforts in the achievement of production targets.