

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

UNSTARRED QUESTION NO:3859
ANSWERED ON:25.08.2011
CONTRACT FOR SEISMIC SURVEY
Raghavan Shri M. K.;Shekhar Shri Neeraj

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

- (a) whether the Government had awarded contract to a US firm, GX Technologies in 2005 for conducting seismic survey along the Indian coastline;
- (b) if so, the details thereof;
- (c) whether the contract was awarded without inviting any tender and at an exorbitant rate;
- (d) if so, the details thereof along with the details of loss to public money;
- (e) the number of locations in the country, including Kerala, where contracts for seismic survey have been awarded in the last three years; and
- (f) the findings of the survey including the potential availability of hydrocarbons?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.P.N.SINGH)

(a) & (b) Speculative 2D seismic survey-API (Acquisition, Processing & Interpretation) by GX Technologies on West and East coast of India was permitted in 2005 based on Speculative Business Model on non-exclusive basis i.e. other interested parties may also be allowed if they are interested to conduct such survey. Under the Speculative Business Model on non exclusive basis no expenditure is incurred by the Government on collection of seismic data. Further, Directorate General of Hydrocarbons (DGH) has the right for unrestricted use of these seismic data free of charge and to use seismic data for carving out and promoting the blocks.

(c) & (d) The right to carry out various geophysical services was granted under 9 agreements to various service providers, including GX Technologies. The right is granted to all interested service providers and hence tendering is not possible.

Since there was no investment made by the Government in the Speculative Survey, the question of any loss to public money does not arise. On the contrary, Government has benefited by the above referred Speculative survey in the following ways:

- I. Saving of expenditure for conducting seismic-API surveys for generating high quality data sets.
- II. These data sets have been utilized in carving out exploration blocks for offering under New Exploration Licensing Policy (NELP) rounds.
- III. In addition, Government earned incidental revenue based on sale of data as per contract provisions.

(e) Under the Production Sharing Contract (PSC) regime, 2D and 3D seismic surveys have been carried out during the last three years (2008-09 to 2010-11) in various exploration blocks in the States/Areas such as Rajasthan, Gujarat, Arunachal Pradesh, Bihar, Himachal Pradesh, Uttar Pradesh, Madhya Pradesh, West Bengal, Tamil Nadu, Assam, Mizoram, Tripura, Eastern Offshore, Western Offshore and Andaman Offshore.

No block in the state of Kerala has so far been awarded under the Production Sharing Contract (PSC) regime. However, seismic surveys were conducted during last three years in some exploration blocks in Kerala-Konkan Basin in Western Offshore area.

In addition to above surveys carried out by the Contractors, DGH also carried out 2D seismic surveys during the last three years in Eastern & Western offshore, Andaman Offshore and Kutch Onland area.

(f): Based on the Acquisition, Processing and Interpretation (API) of 2D/3D seismic data, the prospective areas are identified for exploratory drilling by the Contractors. The surveys carried out by DGH are used for carving out exploration blocks under NELP. Based on the seismic surveys conducted by DGH during the last three years, a total 71 blocks were carved out and offered for bidding (24 blocks under NELP-VII, 32 blocks under NELP-VIII and 15 blocks under NELP-IX).