

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

UNSTARRED QUESTION NO:3884

ANSWERED ON:25.08.2011

IDENTIFICATION OF OIL AND GAS BLOCKS UNDER NELP

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

- (a) the number of exploration blocks that have been identified and allotted under the New Exploration Licensing Policy (NELP), location-wise and Company-wise;
- (b) the provisions under the NELP for awarding blocks to companies and also safeguarding the revenue interest of the Government;
- (c) the details of the blocks awarded to various companies in the latest auction;
- (d) whether any ex-post facto relaxation have been given to any companies for the auction;
- (e) if so, the details thereof; and
- (f) the corrective measures taken/ being taken by the Government in this regard?

Answer

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

(a) Under the eight rounds of New Exploration Licensing Policy (NELP) bidding held so far, a total of 326 exploration blocks were offered in onland, shallow water and deepwater offshore area, out of which 235 blocks were awarded to National Oil Companies(NOCs), Private and Foreign companies. Details of awarded blocks, location-wise and company-wise are given in Annex-I.

(b) The NELP blocks are offered through International Competitive Bidding Process with equal terms and conditions for NOCs, Private and Foreign Companies. The Bid Evaluation Criteria (BEC) are stipulated in the Notice Inviting Offers (NIO) of different NELP rounds. The salient bid evaluation parameters are as under:

Biddable Work Programme

Fiscal Package

Technical Capability

Each of the above parameters contains specified weightage for onland, shallow water and deepwater blocks. The bidder earning the highest weightage and satisfying other stipulated conditions in NIO is awarded the block. Further, Investment Multiple (IM) also helps government to earn a higher share of profit when windfall profit results from high petroleum prices and/or high production volumes realized due to reservoir surprises.

Central and State Governments receive Petroleum Exploration License (PEL) fees for blocks awarded under NELP in offshore and onland area respectively.

(c) Under ninth bid round of NELP (NELP-IX), which is the latest round of NELP, 34 blocks were offered out of which bids have been received for 33 blocks. The preliminary bid evaluation has been completed by Directorate General of Hydrocarbons(DGH) and further action has been initiated for award of blocks.

(d) & (e) NELP bidding process is a transparent process and no post-facto relaxation has been granted to any company after award of the blocks.

(f) In order to improve the terms and conditions of NELP bidding rounds, various terms and conditions as well as the provisions of Production Sharing Contract(PSC) are reviewed in consultation with all stake holders, prior to the launch of each round of New Exploration Licensing Policy (NELP) bidding.