

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

STARRED QUESTION NO:304
ANSWERED ON:15.12.2011
OUTPUT FROM KG D BASIN
Ganeshamurthi Shri A.;Reddy Shri Magunta Srinivasulu

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

- (a) the number of oil wells in the country under drilling and those proposed to be drilled, during the next three years, company-wise and location-wise;
- (b) the details of production from KG D-6 Basin during the last three years, company-wise;
- (c) the reasons for the decline in the output from KG D-6 basin;
- (d) the steps being taken by the Government to drill more oil wells in the country to ensure energy security of the country and also boost the output from KG D-6; and
- (e) the progress made so far in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI S. JAIPAL REDDY)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERERED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.304 TO BE ANSWERED ON 15TH DECEMBER, 2011 REGARDING OUTPUT FROM KG D-6 BASIN ASKED BY SHRI MAGUNTA SREENIVASULU REDDY AND SHRI A GANESHAMURTHI, MPs.

(a): The details of wells under drilling and proposed to be drilled during the next three years, company-wise and location-wise, are Annexed.

(b) to (e): The details of oil and gas production from the block KG-DWN-98/3 during the last three years and current year (Upto October, 2011) are given below:

Year	2008-09	2009-10	2010-11	2011-12	Total
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(upto Oct,11)

Oil [Million	0.129	0.502	1.078	0.429	2.138
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Metric Tonne
(MMT)]

Gas [Billion	0.079	15.10	20.40	9.91	45.49
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Cubic Meter
(BCM)]

Directorate General of Hydrocarbons (DGH) has reported that the reasons for decline in gas production from D1 & D3 fields in the block KG-DWN-98/3 is due to drilling of only 22 wells (18 gas producing wells and 4 wells drilled but not connected or put on production) as against the 31 producing wells approved for drilling upto March, 2012 as per the Field Development Plan (FDP). The Contractor has expressed inability to firm up appropriate drilling locations on plea of geological complexities. DGH has not agreed to the Contractor's contention and asked the Contractor to comply with the approved FDP by drilling more number of gas producing wells in D1 & D3 gas fields and achieve the FDP approved gas Production Profile. The Contractor has neither drilled the remaining 9 producing wells nor taken any alternative action such as revisions of FDP for approval of Management Committee (MC) as per the provisions of the Production Sharing Contract (PSC).

In addition, five out of total 18 gas producing wells in D1 and D3 fields have ceased to produce gas due to water loading/sand ingress in the wells. One oil/gas producing well in MA field out of 6 oil/gas producing wells has ceased to produce oil/gas due to water loading in well.

In order to increase domestic oil/gas production, Government of India is offering unexplored areas for exploration through New Exploration Licensing Policy (NELP) bidding rounds. A total of 235 blocks have been awarded upto eight rounds of NELP bidding. So far, total 342 exploratory /appraisal wells have been drilled in NELP blocks and 103 oil/gas discoveries have been made in 34 blocks, including the major gas discoveries in the block KG-DWN-98/3.