

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

UNSTARRED QUESTION NO:4413
ANSWERED ON:03.05.2012
REGULATOR FOR OIL COMPANIES
Swamygowda Shri N Cheluvarya Swamy

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

- (a) whether there have been demands from the oil and natural gas companies for an upstream regulator for the sector;
- (b) if so, the details thereof;
- (c) whether the Government has any plans to set up such an upstream regulator; and
- (d) if not, the reasons therefor?

Answer

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

(a) and (b). During the consultation process prior to firming up the terms and conditions of bidding terms for ninth bid round of New Exploration Licensing Policy(NELP-IX), the Association of Oil and Gas Operators (AOGO) and a Canadian Oil and Gas Exploration & Production(E&P) company operating in India had represented that an independent regulator for upstream sector may be appointed.

(c) & (d). The regulation of hydrocarbon resources is carried out by the Government through the Oil Fields (Regulation and Development) Act, 1948 and the Petroleum and Natural Gas Rules, 1959. The grant of licenses and leases for exploration, development and production of Petroleum in India is awarded in a transparent manner under New Exploration Licensing Policy (NELP) and Coal Bed Methane(CBM) Policy. These policies provide level playing field to National oil companies as well as private and foreign companies. The Ministry of Petroleum and Natural Gas(MOP&NG) through its technical arm, Directorate General of Hydrocarbons(DGH), regulates and oversees the Exploration and Production(E&P) activity in the country.