

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

STARRED QUESTION NO:53

ANSWERED ON:15.03.2012

CRUDE OIL RESERVES

Mishra Shri Mahabal ;Rajaram Shri Wakchaure Bhausaheb

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

- (a) the details of the crude oil reserves in the country and the estimated number of years for which they are likely to fulfil the energy needs of the country;
- (b) whether the Government is aware that the crude oil reserves of the world are fast depleting and there is a likelihood of oil production attaining peak in the year 2014 after which the oil production is likely to go down;
- (c) if so, the steps proposed to be taken by the Government to formulate long term strategy to maintain strategic crude oil reserves;
- (d) the number of strategic crude oil reserves in the country, capacity-wise and location-wise; and
- (e) the success achieved by the Government to establish strategic crude oil reserves and the estimated period for which they are likely to fulfill the needs of the country ?

Answer

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

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 53 BY SHRI MAHABAL MISHRA AND SHRI WAKCHAURE BHAUSAHEB RAJARAM TO BE ANSWERED ON 15.3.2012 REGARDING CRUDE OIL RESERVES

(a) As on 1.4.2011, recoverable reserves of crude oil in the country is assessed at 757.4 million metric tonne (MMT) by Oil and Natural Gas Corporation Ltd. (ONGC), Oil India Ltd. (OIL) and Private/Joint Venture companies. These reserves are continuously undergoing change on account of accretion of new reserves as a result of success in exploration and due to production on a continuous basis. Further, in view of the growth in the economy, indigenous production of crude oil is not adequate for the energy needs of the country at present.

(b) The peak of crude oil production have been estimated and reported differently over the time. As per International Energy Agency in World Energy Outlook, 2011 says that "Proven reserves of oil increased to 1.47 trillion barrels at the end of 2010 according to the Oil and Gas Journal or 48 years production at existing level. Remaining recoverable resources are estimated to be much larger and could reach nearly 5.5 trillion barrels."

(c) In order to provide momentum to exploration and production in the country, Government has adopted multi-prong strategy which inter-alia includes: (i) Increasing hydrocarbon exploration and production in the country, (ii) Development of unconventional sources of hydrocarbon and (iii) Acquisition of overseas oil and gas assets by Indian companies.

(d) & (e): The Government is setting up the underground strategic storage in the form of rock cavern with total storage capacity of 5.33 MMT at 3 locations viz., Vishakhapatnam in Andhra Pradesh and one each in Mangalore & Padur in Karnataka. The projects are expected to be commissioned in a phased manner from April, 2013 onwards. The break-up of strategic oil reserves capacity is as under:

| Sl. No. | Location | Capacity (MMT) |
|---------|----------|----------------|
|---------|----------|----------------|

| | | |
|----|----------------|------|
| 1. | Vishakhapatnam | 1.33 |
|----|----------------|------|

| | | |
|----|-----------|------|
| 2. | Mangalore | 1.50 |
|----|-----------|------|

3. Padur 2.50

In addition, feasibility study for about 12.5 MMT strategic oil reserves is in progress in the states of Karnataka, Gujarat, Rajasthan and Odisha.