

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

STARRED QUESTION NO:39

ANSWERED ON:09.08.2012

ESTIMATES OF KG D RESERVES

Joshi Dr. Murlī Manohar;Reddy Shri Magunta Srinivasulu

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

- (a) the quantum of gas output from Krishna Godavari D6 (KG D6) basin during each of the last three years alongwith the reasons for decline in output, if any;
- (b) the quantum of gas reserves estimated in the KG D6 basin prior to the commencement of work and whether the quantum of gas reserves estimated in KGD6 basin has been found to be much lower than estimates;
- (c) if so, the details of difference in the estimated gas reserves prior to the commencement of work and that estimated at present in the KG D6 basin;
- (d) the reasons for huge difference in both these estimates; and
- (e) the names of the agencies which have made these estimates ?

**Answer**

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

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

19th POSITION

STATEMENT REFERERED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 39 TO BE ANSWERED ON 9TH AUGUST, 2012 REGARDING ESTIMATES OF KG D6 RESERVES ASKED BY SHRI MAGUNTA SREENIVASULU REDDY, M.P AND DR. MURLI MANOHAR JOSHI, M.P.

a) (a): Directorate General of Hydrocarbons (DGH) under this Ministry has reported that the gas production from the block KG-DWN-98/3 in Krishna-Godavari basin operated by M/s Reliance Industries Limited (RIL) during the last three years is as under:

In Billion Cubic Meter (BCM)

Year    2009-10   2010-11   2011-12

Gas Production (BCM) 15.106 20.400 15.611

DGH has reported that the decline in gas production from the block in 2011-12 is due to the following reasons:

- i. Out of total 18 gas producer wells in D1 & D3 fields of the block, 6 wells have ceased to produce gas due to water/sand ingress in wellbores.
- ii. Out of 6 oil/gas producer wells in MA field in the same block, 2 oil/gas producers have ceased to flow oil/gas due to water ingress in wellbores.
- iii. Non drilling of the required number of gas producer wells in D1 & D3 fields by the Contractor in line with the Addendum to Initial Development Plan (AIDP) approved by the Management Committee (MC).

The Operator has attributed lower gas production as compared to approved AIDP from D1 & D3 fields to unforeseen geological surprises and reservoir.

(b) & (c): The quantum of gas reserves estimated by the contractor in the block prior to commencement of work was 10.3 Trillion Cubic Feet (TCF) in case of D1 & D3 fields and 681.4 Billion Cubic Feet (BCF) for MA field as recoverable reserves. Subsequently, the contractor revised the estimates of recoverable reserves of D1 & D3 fields and MA field as 3.10 TCF and 788 BCF respectively.

(d): The contractor has attributed various reasons for reduction in reserves such as production performance, pressure decline, early

water encroachment, less contribution from the sands outside the main channel areas, results obtained from Material Balance, Simulation and Geological Models etc.

e): Initially, the contractor has submitted the estimates of reserves based on the studies carried out by resource/reserves estimation agencies like D&M, Petrotel & PGS. Subsequently, the contractor had submitted gas reserves certified by Gaffney Cline Associates (GCA) of U.K.