

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

UNSTARRED QUESTION NO:2506

ANSWERED ON:07.12.2012

TARGET FOR CRUDE OIL PRODUCTION

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

(a) the target set for production of crude oil and natural gas by both the public sector and private sector oil companies during the 12th Five Year Plan, company-wise along with the steps taken/being taken by the Government in this regard;

(b) the quantum of crude oil and natural gas produced in the country during the last three years by these companies, year-wise and company-wise;

(c) the extent to which the production by the said companies has exceeded or fallen short of the terms and conditions of contract and the loss to the exchequer as a result thereof; and

(d) the details of penalty clause provided in the Production Sharing Contracts (PSCs) for failing to meet the committed targets by the companies?

Answer

Minister of State in the Ministry of PETROLEUM & NATURAL GAS (SMT. PANABAKA LAKSHMI)

(a) Public Sector Companies namely Oil and Natural Gas Corporation Ltd (ONGC) and Oil India Ltd (OIL) have projected the target for production of crude oil and natural gas during 12th five year plan (From 2012-13 to 2016-17) which are given below:-

ONGC OIL

Year Crude Oil @Natural Gas Crude Oil @Natural Gas

2012-13 25.05 24.88 3.92 2.919

2013-14 28.27 25.47 4.00 3.797

2014-15 28.00 26.67 4.06 4.003

2015-16 26.29 28.22 4.16 4.103

2016-17 25.46 38.68 4.20 4.203

Crude Oil (In Million Metric Tonne) (MMT)
@Natural Gas (in Billion Cubic Metric) (BCM)

In addition to above, under the Production Sharing Contract (PSC) regime, fields / blocks are awarded through International Competitive Bidding process to either a single company or a consortium of companies. Yearly oil and gas production targets for producing fields are fixed field-wise and not company-wise. The projected oil and gas production under the PSC regime during the 12th Five Year Plan period (2012-13 to 2016-17) are as under:

Year	Projected Oil Production (in MMT)	Projected Gas Production (in BCM)
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2012-13	12.12	15.38
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2013-14	11.51	14.50
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2014-15	12.70	16.50
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2015-16	12.10	18.50
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2016-17	11.50	21.00
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(b) & (c) The details of targets and achievement of production of crude oil and natural gas in respect of ONGC, OIL and Private/Joint Venture (Pvt/Jvs) Companies during the last three years (2009-10 to 2011-12) are given in Annexure.

There is no direct loss to the exchequer as a result of less production against the target. However, less production impacts loss to the extent of statutory levies like royalty, cess, taxes etc payable on production of crude oil & natural gas.

(d) As per the provisions of the PSC, contractors are liable to pay the cost of unfinished work programmes as against the committed work programme in the PSC within 60 days following the end of the relevant exploration phase or early termination of the PSC.