

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

UNSTARRED QUESTION NO:325
ANSWERED ON:23.11.2012
DRILLING OF DEEP WATER BLOCKS
Lal Shri Kirodi

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

- (a) whether requests from various quarters have been received by the Government to stop drilling in deep water blocks for three years;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the steps being taken by the Government in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SMT. PANABAACA LAKSHMI)

(a) to (c): There was sudden spurt in exploration activity worldwide since 2007 due to the then high crude oil prices, which led to acute shortage of the deepwater rigs worldwide. The non-availability of the deepwater rigs adversely effected the completion of the minimum work commitments by various contractors of the deepwater blocks in their respective current exploration phases. The operators of these deepwater blocks requested the government to grant a drilling moratorium of 3 years to mitigate the situation caused by the deepwater rig shortage so as to enable them to complete their drilling commitments envisaged under the PSCs.

Government has approved a proposal for granting drilling moratorium for 3 years starting 1st January, 2008 to 31st December, 2010 to thirty (30) deepwater blocks under the Production Sharing Contract (PSC) regime signed upto New Exploration & Licensing Policy (NELP) – V, where drilling commitments (except development drilling) remained unfulfilled as on 1st January, 2009. The drilling moratorium was granted to enable the operators to fulfill the exploratory and appraisal drilling commitments which could not be completed due to global shortages of deepwater drilling rigs during that time.

The company-wise number of blocks where drilling moratorium was granted are as under:

Operator No. of blocks granted drilling moratorium

ONGC 16

RIL 13

ENI 1