

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

UNSTARRED QUESTION NO:824
ANSWERED ON:01.03.2013
PRODUCTION OF OIL AND GAS
Rawat Shri Ashok Kumar

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

- (a) the details of norms prescribed for ensuring transparency in the production of oil and gas by private companies in the country ;
- (b) whether private companies are complying with the Government's guidelines/agreements regarding production of oil and gas;
- (c) if so, the details thereof ;
- (d) if not, the details of the private companies not complying with the guidelines/agreements of the Government; and
- (e) the action taken or proposed to be taken by the Government against those defaulting private companies?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRIMATI PANABAAKA LAKSHMI)

a) Under the Production Sharing Contract (PSC) regime, exploration blocks are awarded through the process of International Competitive Bidding to Private, Foreign and Public Sector Companies (PSUs) with uniform terms and conditions. PSC stipulates specified time periods from discovery to development of successful oil/gas discoveries comprising of appraisal, commerciality and development activities. The Contractors are required to adhere to the timelines for these activities and in general follow Good International Petroleum Industry Practices (GIPIP) as mentioned in the respective PSCs, which details the rules, guidelines and the norms.

b) & c) All the Contractors under the PSC regime, Private/Foreign and PSUs, are required to adhere to all the stipulations laid down in the PSCs. In case of non-compliance/deviation of the PSC terms and conditions, provisions exist in the PSCs for taking appropriate actions against the Contractor(s).

d) & e) So far, under the PSC an amount to the tune of US\$ 104.68 Million has been recovered by the Government, in line with the PSC provisions, from the following Private/Foreign operators as cost of unfinished minimum exploration work programme in the blocks awarded to them:

Company	Amount received on account of Unfinished Minimum Work Programme (UMWP) US\$ Million
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RIL	99.68
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Geopetrol Inc.	4.73
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GeoGlobal Resources	0.27
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Total	104.68
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