

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

STARRED QUESTION NO:210

ANSWERED ON:23.08.2013

SHALE GAS POLICY

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

- a. The estimated shale gas resources in the country:
- b. Whether the Government proposes to roll out the shale gas policy and the next bidding round for blocks offered under the new exploration licensing policy in order to attract investment after market friendly changes in the gas price regime and if so, the details thereof:
- c. Whether the revised gas price regime will also be applicable to the price for shale gas as the new regime applies to the entire basket of domestic natural gas production irrespective of the sources and if so, the details thereof:
- d. Whether the Ministry of Finance has objected to his Ministry's proposed move to allow existing oil and gas explorers to find shale gas in their respective blocks; and
- e. If so, the details thereof and the reasons therefore along with the corrective measures taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (DR. M. VEERAPPA MOILY)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (E) OF LOK SABHA STARRED QUESTION NO. 210 ASKED BY SHRI M. ANANDAN AND SHRI M.B. RAJESH FOR ANSWER ON 23.08.2013 REGARDING SHALE GAS POLICY.

a). Various agencies have estimated the shale gas resource potential in selected sedimentary basins/ sub-basins in India. The details are as under:

- i. M/s Schlumberger : 300 to 2100 TCF (as available in public domain)
- ii. Energy Information Administration (EIA), USA: 290 TCF in 4 basins
- iii. ONGC: 114 TCF in 3 basins
- iv. Central Mine Planning and Design Institute (CMPDI): 45 TCF in 6 sub basins.

In addition, the United States Geological Survey (USGS) has also estimated technically recoverable shale gas resources of 6.1 TCF in 3 basins. Further, USGS has indicated that these basins have also potential for shale oil.

b): Action has been initiated for launch of NELP-X (New Exploration Licensing Policy-Tenth) bidding round. The Shale Gas and Oil Policy is being formulated and finalized after wide consultations with various stakeholders. The Draft Policy was put in public domain inviting suggestions and comments from the stakeholders. The Shale Gas/ Oil Policy is currently under finalization.

(c): Government has approved the gas price formula based on the Rangarajan Committee recommendations, which will be applicable from 1st April 2014 for a period of 5 years. These gas prices will be applicable to all natural gas including Shale Gas.

(d)&(e): The Ministry of Finance has observed during Inter-ministerial consultation that in case the proposal includes PSC regime, then current incumbents would get an expansion of their contracts without offering opportunities for any new entrants. It is a fact that contract under pre NELP /NELP did not envisage shale gas and oil as a hydrocarbon resource, and the bidding parameters of technical competence as well as Minimum work programme did not take this resource into account. The Shale Gas & Oil Policy is currently under finalization.