

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

UNSTARRED QUESTION NO:1066

ANSWERED ON:27.07.2015

Oil and Gas Exploration

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

- (a) the details of survey conducted/proposed to be conducted by public/private companies including Oil and Natural Gas Corporation Limited (ONGC) and Oil India Limited (OIL) and number of hydrocarbon blocks awarded and status of commercial production and quantum of oil/gas produced from these blocks including Krishna-Godavari and Kerala-Konkan basins, oil field/blocks/company-wise;
- (b) the details of sedimentary basins offered through the New Exploration Licensing Policy (NELP) to the private/public/foreign companies and the investment made by them along with the reasons of such sedimentary basins of oil and gas remains under explored, company/oil field/blocks-wise;
- (c) the details of targets fixed and achieved by public/private sector companies including ONGC and OIL in exploration of crude oil and natural gas exploration from their existing oil fields, company/oil field/blocks/State/UT-wise during the last three years and the current year;
- (d) whether oil and gas production in the country has dropped significantly during the last three years and if so, the details thereof and the reasons therefor along with the steps taken by the Government to increase the production in deep water/ultra-deep water resources to cut down the import bill and foreign exchange expenditure;
- (e) the fiscal and other incentive provided for exploration and extraction of oil and gas deposits to the public/private sector companies in the country; and
- (f) whether the Government/its controlled Committee approved investment proposals in oil and gas sector to boost oil production and clear the re-investment plans as opposed to previous years and if so, the details thereof?
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**Answer**

MINISTER OF STATE (I/C) IN THE MINISTRY OF PETROLEUM & NATURAL GAS  
(SHRI DHARMENDRA PRADHAN)

a) Details of surveys for exploration of blocks awarded to the operators including PSUs (ONGC & OIL), Indian Private & JV companies and Foreign companies as on 31.03.2015 are at Annexure-I

The status of commercial production and quantum of crude oil and gas produced by various private/public sector companies under PSC regime during 2014-15 is placed at Annexure-II

(b) Details of blocks awarded and investment made by companies under NELP are at Annexure-III:

Out of 26 sedimentary basins of India, 7 basins namely Karewa, Spiti-Zaskar, Narmada, Bhima-Kaladgi, Cuddapah, Bastar, Chhattisgarh remain still under explored due to perceived low prospectivity.

(c) Details are at Annexure-IV.

(d) The details of crude oil and natural gas production during last three years are as under:-

Crude Oil Production

(MMT) Natural Gas Production

(BCM)

2012-13 37.862 40.679

2013-14 37.788 35.406

2014-15 37.460 33.656

MMT- Million Metric Tonne

BCM- Billion Cubic Metre

The main reason for lower crude oil and natural gas production is due to natural decline in production of aging fields of ONGC and OIL. In addition lower natural gas production was made from Krishna Godavari Basin under Production Sharing Regime.

In order to increase production of crude oil and gas, the Government has adopted following multi-pronged approach:

i. Enhance production from the existing field by adopting Improved Oil Recovery (IOR)/Enhanced Oil Recovery (EOR) measures using latest technology.

ii. Bringing into production new discoveries at the earliest. For this a policy framework for early monetization of hydrocarbon discoveries under PSC regime has been approved by the Government. This policy has addressed rigidities in the timelines of the PSC and has allowed the contracts to start production at the earliest.

iii. Facilitate enhanced exploration activities through following measures-

? Appraisal of about 1.5 million sq km un-appraised area of the Indian Sedimentary Basins and acquisition of geoscientific data under Multi client and non-exclusive policy.

? Re-assessment of Hydrocarbon Resources

? Setting up of National Data Repository.

? Policy approved for exploration and exploitation of Shale Gas/Shale Oil resources by National Oil Companies under the nomination

regime.

iv. Provision of premium on gas price on the gas produced from difficult areas i.e. deep, ultra-deep and HPHT fields.

(e) The fiscal and other incentives provided for exploration and extraction of oil and gas deposits to E&P companies under New Exploration Licensing Policy (NELP) are as under:

i) Nil Cess on production from blocks offered under NELP Bidding Rounds

ii) Nil Customs duty on goods imported for petroleum operations.

iii) Exemptions under section 42 of Income Tax Act, 1961

iv) A seven-year tax exemption under section 80-IB (ix) of income tax act 1961 for blocks awarded up-to NELP-VII Bidding Rounds

(f) The development plans which include annual work programmes, budget outlays for the year etc. are approved by the Management Committee which has representatives of Government as well as Contractors. Steps were taken for approval of the work plan and budget outlays before start of the financial year so that contractors are able to make investments right from the beginning of the financial year.

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