

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

UNSTARRED QUESTION NO:2060

ANSWERED ON:09.03.2015

HYDROCARBON DISCOVERIES UNDER NELP

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

- (a) the details of hydrocarbon discoveries made so far under pre-NELP to IX New Exploration and Licensing Policy (NELP) along with number of blocks awarded and investment made by Indian and foreign companies;
- (b) whether the Government has allocated major chunk of hydrocarbon blocks to private sector under Production Sharing Contract (PSCs) resulting loss of revenue; (c) if so, the details of Production Sharing Contracts (PSC) signed from NELP-I to NELP-IX so far, public/private sector company –wise;
- (d) whether the Government proposes to set up a National Data Respository (NDR) centres under Directorate General of Hydrocarbons (DGH) and if so, the details thereof along with the salient features of the same;
- (e) whether the Government proposes to give autonomy status to DGH for promotion and enhancement of petroleum products and monitoring of exploration and production (E&P) in the country;
- (f) if so, the details thereof along with funds allocated to DGH by Oil Industry Development Board (OIDB) so far; and
- (g) the steps taken by the Government for early monetisation of hydrocarbon discoveries along with number of exploration blocks identified by DGH for offering under NELP X?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN):

(a) Under the production Sharing Contract (PSC) regime, a total of 207 hydrocarbon discoveries, comprising of 100 oil and 107 gas discoveries in 282 Exploration Blocks awarded under Pre-NELP (28 Blocks) & NELP (254 Blocks) bidding rounds have been made. The details are as under:

| NELP/Pre NELP Blocks Awarded | Nos. of Exploration Discoveries | Nos. of Oil Discoveries | Nos. of Gas Discoveries | Total Nos. of |
|---------------------------------|------------------------------------|----------------------------|----------------------------|---------------|
|---------------------------------|------------------------------------|----------------------------|----------------------------|---------------|

| | | | | |
|-----------------------------|-----|-----|-----|-----|
| NELP Exploration blocks | 254 | 46 | 91 | 137 |
| Pre-NELP Exploration blocks | 28 | 54 | 16 | 70 |
| Grant Total | 282 | 100 | 107 | 207 |

Details of cumulative investment since inception made by Indian and foreign companies in 282 Exploration Blocks, awarded under Pre-NELP (28 Blocks) & NELP (254 Blocks) bidding rounds is given below:

Investment Details (as on 01.03.2015)

(Figures in Million US \$)

| Operator Type | Investment made under Pre-NELP Exploration Blocks | Investment made under NELP Exploration Blocks |
|---------------|--|--|
|---------------|--|--|

| | | |
|-------------------|------|-------|
| Indian Companies | 2699 | 17901 |
| Foreign Companies | 4095 | 6021 |
| Total | 6794 | 23922 |

(b) No Sir, Government has not allocated major chunk of hydrocarbon blocks to private sector under Production Sharing Contracts (PSCs) resulting in loss of revenue. Under New Exploration Licensing Policy (NELP), no preference is given to any company either

Foreign/Indian Private Company or Public Sector Company. All bidders have to compete with each other on equal footing. Exploration blocks are awarded through an International Competitive Bidding process in a transparent manner based on the quantified Bid Evaluation Criteria (BEC). The bid evaluation criteria have been modified under different NELP bidding rounds based on the feedback received from the stakeholders and the Government's perspective to attract more investors for bidding.

The blocks offered under NELP, which have been won through bidding process by Public Sector Companies (PSUs), Private and Foreign Companies as under:

Operator Type No. of Blocks Awarded

| | |
|--------------------------|-----|
| PSU | 147 |
| Indian Private Companies | 70 |
| Foreign Companies | 37 |
| Total | 254 |

(c) Details of Production Sharing Contracts (PSC) signed from NELP-I to NELP-IX so far, public/private sector company-wise is placed at Annexure-1.

(d) DGH on behalf of this Ministry is in process of setting up National Data Repository (NDR). Site preparation work and commissioning of Hardware & Software for NDR project has been completed. Build-up and user acceptance test (UAT) of NDR hardware and software has been completed.

The Main objectives of NDR are:

- # To setup a repository of reliable exploration and production data for India with provision for seamless access and online data management.
- # To validate, store, maintain and reproduce high quality and reliable geo-scientific data.
- # To facilitate efficient data reporting, data exchange, and data trading among existing players including all geo-scientific agencies.
- # To improve DGH's ability to monitor and control the E&P activities and reporting.
- # To encourage new E&P activities by providing high quality and reliable data.
- # To strengthen overall geo-scientific activities in India
- # To support open acreage system for an improved Global E&P business environment in India.
- # To provide quality E&P data for Processing, Interpretation and visualization centre at DGH.

The salient features of NDR are as here in under :

- # Wholly funded by Government of India
- # Preserve and disseminates oil & gas information data
- # Promotes and regulates exploration and development activities for hydrocarbons in India
- # Will help in implementing Open Acreage Licensing Policy (OALP) wherein acreages can be chosen by the E&P companies on the basis of assessed prospectively as seen from the data available through NDR
- # GIS user interface to handle metadata
- # Ability to store data in online, near-line and off-line modes
- # Tracking and delivery of data order via internet
- # Keyword searches for metadata
- # Preparation and plotting of various maps in multiple formats
- # Data entitlement
- # Data trading

(e) & (f) The DGH is the technical arm of the Ministry and carries out functions which can be broadly grouped into (a) Technical and (b) contract related. Under the technical function, DGH reviews and monitors the exploration program, management of reservoir, maintaining all geo-scientific data in a retrievable form and review of the development plan of the commercial discoveries. On the contract management side, DGH, inter alia, through Management Committees, exercises control on costs and budgets/work program of contractors in accordance with the provisions of the respective PSCs and government policies

This Ministry has designated DGH as an Authority/ Agency to exercise certain powers and functions of the Central Government with a view to promote sound management of hydrocarbon resources in the country having balance regard for the environment, safety, technological and economic aspects. Recently through a policy framework announced by the Ministry during November 2014, DGH has been empowered to take decisions regarding relaxations, extensions and clarifications under the PSC regime. The DGH already functions with a great deal of administrative and financial autonomy. DGH has received a grant of Rs. 754.34 Crores from 1993-94 to till date from OIB.

(g) Policy framework for early monetization of hydrocarbon discoveries under PSC regime has been approved which is likely to help in monetization of some of the pending discoveries. For NELP X bidding rounds, 52 exploration blocks having area of 147,829 square kilometers have been proposed so far.