

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

UNSTARRED QUESTION NO:211
ANSWERED ON:24.11.2014
PRODUCTION COST OF OIL AND GAS
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the details of average production cost of domestically produced crude oil and natural gas by both public and private sector companies; and

(b) if so, the details thereof along with its cost per barrel/litre produced by each of public and private sector companies?

Answer

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

(a) & (b) The average cost of production of domestically produced crude oil and natural gas by Oil and Natural Gas Corporation Ltd. (ONGC) (excluding JVs) and Oil India Ltd. (OIL) for 2013-14 is as under:

	ONGC	OIL
Crude oil (USD/bbl)	35.78	33.29
Natural gas (USD/ mmbtu)	3.52	3.93

The average cost of crude oil and natural gas production varies from company to company and field to field depending upon size/type of the reservoir, location of reservoir, operating cost, financing cost, depreciation, depletion & amortization applicable and accounting procedure followed by various E&P companies as well as taxes and duties levied by the Government.

The average cost of production of crude oil and natural gas in major fields under Production Sharing Contract (PSC) regime, calculated based on the Annual Audited Accounts of the blocks/ fields for FY 2013-14, were as under:

(i) For crude oil the cost of production varies between US\$ 8.65/bbl to US\$ 15.54/bbl excluding levies and US\$ 11.09/bbl to US\$ 39.90/bbl including levies.

(ii) For natural gas the cost of production varies between US\$ 3.32/mmbtu to US 3.90/mmbtu excluding levies and US\$ 3.58/mmbtu to US\$ 7.11/mmbtu including levies.