

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

UNSTARRED QUESTION NO:4774

ANSWERED ON:22.12.2014

CLOSED OIL WELLS GAS BLOCKS

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Narayanasamy;Singh Deo Shri Kalikesh Narayan

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

- (a) whether in some of the closed oil wells/gas blocks, the production/ redevelopment plan could not be started as per the prescribed time schedule;
- (b) if so, the details thereof along with the details of inquiry, if any, conducted to assess the financial loss to the exchequer in view of the above and the steps taken by the government to restart/ redevelopment plan for the purpose, oil/gas fields/company-wise including Oil and Natural Gas Corporation Limited;
- (c) whether the oil and gas blocks awarded under the New Exploration and Licensing Policy have been delayed due to clearance by the Ministry of Defence and other regulatory restrictions and if so, the details thereof;
- (d) the details of sedimentary basins offered through the New Exploration Licensing Policy to the private/ foreign companies along with the investment made by them, company/basin-wise; and
- (e) the efforts made by the Government to start production of oil and gas as per the targeted date fixed by various companies in the country, company-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (IC) (SHRI DHARMENDRA PRADHAN)

(a) & (b) Revival of sick oil/ gas wells is a continuous process and all the contractors under PSC (Production Sharing Contract) regime, undertake several measures on regular basis to revive the sick wells to increase oil and gas production. The revival process includes measures such as periodical well intervention through work-over jobs, well stimulation, installation of suitable artificial lift systems and side-tracking of wells etc. Sick wells are also abandoned by the Contractors either on completion of their economic life or due to fact that they could not be economically revived.

Revival of sick wells of fields of NOCs (ONGC & OIL) under nomination regime is monitored on continuous basis by DGH (Directorate General of Hydrocarbons)

(c) Exploration operations have suffered in 116 NELP exploration blocks due to delays in grant of Petroleum Exploration License by the state governments concerned and lack of statutory clearances or delay in grant of various statutory clearances required from Ministry of Defence and other Central Government/State Government regulatory authorities:

Reasons for Delay Nos. of Blocks Affected

Delay in Grant of Environment Clearance by MOEF	21
Delay in Grant of NOC from Ministry of Road Transport & Highways	1
Delay in Grant of PEL	13
Delay in NOC to carry out drilling activities by SEZ authority	1
Delay in clearance by MOD/MOS	76
Delay in clearance by MEA	2
Delay in getting CRZ clearance by State Government	1
Not Cleared by DGCA	1
Total	116

MOEF- Ministry of Environment & Forest
NOC- No Objection Certificate
PEL- Petroleum Exploration License
MOD- Ministry of Defence
MOS- Ministry of Space
MEA- Ministry of External Affairs
CRZ- Coastal Regulatory Zone
DGCA- Directorate General of Civil Aviation

(d) India has 26 sedimentary basins covering a total area of about 3.14 Million Sq. Km comprising of onland, offshore and deepwater areas. Under the NELP (New Exploration Licensing Policy), 254 blocks located in 18 sedimentary basins have been awarded so far to foreign companies, Indian Private Companies and Public Sector Undertakings. Total investment (Exploratory + Development) of 23.67 US Billion \$ have been made by the contractors in these blocks. Basin-wise details of blocks awarded and total investment made in NELP Blocks is given in Annexure:

(e) During approval of Field development Plan (FDP), tentative date of commencement of production is indicated by the contractor. Subsequent to approval of FDP, monitoring of implementation of FDP is carried out for timely commencement of oil & gas production.

For enabling early monetization of hydrocarbon discoveries, a policy reform has been brought out by the government for Relaxations, Extensions and clarifications at the Development and Production stage under PSC regime