

LOK SABHA
UNSTARRED QUESTION No.1059
TO BE ANSWERED ON 17th DECEMBER, 2018

SHALE GAS EXPLORATION

1059. SHRI JAGDAMBIKA PAL:
SHRI M. CHANDRAKASI:
SHRI LAXMAN GILUWA:

पेट्रो लयम और प्राकृतिक गैस मंत्री

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

- a) Whether the Government has proposed to explore and extract shale gas in the country and if so, the details thereof along with the salient features of shale gas and oil policy of the Government;
- b) Whether the Government is proposing to undertake hydraulic fracturing/fracking to extract shale gas and if so, the details thereof;
- c) Whether hydraulic fracturing for shale gas poses a threat to the environment and if so, the details thereof along with the steps taken by the Government to mitigate the negative environmental effects of hydraulic fracturing;
- d) The details of identified shale-gas or shale –oil reserve blocks in the country;
- e) The details of shale-gas/shale-oil exploration activities currently under progress in the country and outcome thereto as on date; and
- f) Whether shale gas explorations has failed many times and if so, the reasons identified along with the corrective measures taken by the Government in this regard?

ANSWER

पेट्रो लयम और प्राकृतिक गैस मंत्रालय में मंत्री (श्री धर्मेन्द्र प्रधान)

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

(a): Government issued Policy Guidelines for Exploration and Exploitation of Shale Gas and Oil by National Oil Companies under Nomination regime on 14th October, 2013 to permit exploration and Exploitation of shale gas/oil by National Oil Companies (NOCs) under Nomination regime. To enlarge the scope of exploration and exploitation of shale gas/oil and other unconventional hydrocarbons, Government has notified the Policy Framework on 20th August, 2018 to permit exploration and exploitation of unconventional hydrocarbons such as shale oil/gas, Coal Bed Methane (CBM) etc. in the existing acreages of Production Sharing Contracts(PSC), CBM Contracts as well as nomination fields to unlock the potential of unconventional hydrocarbons.

The fiscal and contractual terms of the “Policy Framework for exploration and exploitation of unconventional hydrocarbons under existing PSC, CBM contracts and Nomination fields” of 2018 provide for ring-fencing of Petroleum Operations and cost recovery from new hydrocarbon discoveries in PSC blocks. Additional 10% rate of Profit Petroleum in case of PSCs and Production Level Payment (PLP) in case of CBM contract, over and above the existing rate of Profit Petroleum/PLP is to be shared with Government on new discoveries. For nomination blocks, NOCs will be allowed to explore and exploit the unconventional hydrocarbons under the existing fiscal and contractual terms of exploration/lease license. Hydrocarbon Exploration & Licensing Policy (HELP) of 2016 and Discovered Small Field (DSF) Policy of 2015 also provides for exploration and exploitation of unconventional hydrocarbons including shale gas/oil in the acreages to be awarded under these Policies.

(b)&(C): The Companies engaged in production of oil and gas employ various technologies, including hydraulic fracturing, for production of oil and gas. While carrying out petroleum operations including shale gas/oil exploration, companies are required to comply with all statutory rules and regulations with regard to environment and other related Acts/Rules. Before commencing the production activities, Environmental Impact Assessment (EIA) study is to be carried out and necessary environmental clearance is obtained as per the Environment (Protection) Act, 1986 and notification issued thereunder.

(d) to (f): Presently, shale gas exploration is allowed in all the allocated exploration and production blocks in the country. As of now, Oil & Natural Gas Corporation Limited (ONGC) has drilled 23 wells for shale gas exploration and Oil India Limited (OIL) has drilled 4 wells for shale gas exploration under nomination regime. Shale gas/oil exploration in the country is at initial stage and no commercial production of shale gas/oil has been made till date.
