

Handling Over the Work of Exploration of Oil in Punjab, U.P. and Bihar to Italian Firm

*772. SHRI D. K. PANDA: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) whether drilling of wells for exploration of crude oil in Punjab, U.P. and Bihar was made over to an Italian firm recently; and

(b) if so, the reasons thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI DALBIR SINGH):

(a) No such action was taken recently. The services of an Italian firm were used by the Oil and Natural Gas Commission for drilling very deep exploration wells in Bihar and U.P. under a contract concluded on 17-12-1962, and in Punjab under a contract concluded on 13-5-1963. Under these contracts drilling was carried out during the period 19-10-1963 to 22-5-1965 in Bihar and U.P., and during the period 17-10-1964 to 30-9-1966 in Punjab.

(b) The Commission did not then possess drilling rigs capable of drilling wells to the large depths as required, nor did the personnel of the Commission possess the know-how and experience of such deep drilling.

SHRI D. K. PANDA: The Oil and Natural Gas Commission had made certain recommendations in the past to provide them with some more power so that they could have technical know-how and scientific cadres so as to have drilling capacity for the exploration of crude oil. In view of this has the suggestion been carried out by the Government since 1962; if not, what has been the reason for so much delay and for depending upon only the foreign companies even for exploration?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI P. C. SETHI): As far as in-shore drilling is concerned, the ONGC is carrying out the entire drilling operations itself. Of Course, for offshore drilling we are having foreign contracts still.

SHRI D. K. PANDA: Has the Government, at least now, made any plan to bring drilling machines for exploration of wells in these States and throughout India?

SHRI P. C. SETHI: In two or three wells quite deep drilling was tried in these areas and more than 5,000 metres were drilled, but the areas were not found to contain oil; therefore, they were abandoned.

SHRI D. K. PANDA: That was not my question. My question was, what arrangements have been made or whether there is any plan to bring rigs for drilling purposes. We are now depending upon foreign companies.

SHRI P. C. SETHI: We are not depending on foreign companies. It was only in 1962-63 that this contract was given. Since then, no contract has been given. As far as deep drilling in this area is concerned, it has been tried and this area was found to be dry.

SHRI D. N. TIWARY: After three years exploration in Bihar and UP., may I know what has been experience there, whether some oil has been found or whether it has been given up for good or there is any possibility of exploring it again?

SHRI P. C. SETHI: According to the first contract, the drilling was done at Raxaul and Moh and in 1963-64 and according to the second contract at Januri and Bahl. After these drilling in the areas of Bihar, U.P. and Punjab, as I have pointed out, these did not prove fruitful and had to be abandoned.

SHRI D. D. DESAI: Would the hon. Minister be pleased to state the extent of financial allocation for exploratory areas as against financial allocation for proved areas?

MR. SPEAKER: I am sorry. It cannot arise out of this. This Question relates to handling over the work to an Italian firm.

SHRI D. D. DESAI: Only financial allocation for the Italian firm.

SHRI P. C. SETHI: If he is asking only for this contract, then I may point out that the invoices of work and services totalled up to 24,90,053 dollars plus Rs. 68 lakhs for the first contract in Bihar and U.P. and 25 lakh dollars plus Rs. 66 lakhs for Punjab.