

**GOVERNMENT OF INDIA  
MINISTRY OF PETROLEUM AND NATURAL GAS**

**RAJYA SABHA  
UNSTARRED QUESTION NO. 1387  
TO BE ANSWERED ON 14<sup>th</sup> March, 2022**

**Declining crude oil production**

1387 Shri Sanjay Singh:

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

- (a) the reasons for decline in production of crude oil in India;
- (b) whether Government has taken steps to increase the production of crude oil to reduce dependency on crude oil imports;
- (c) if so, the details thereof;
- (d) whether the decline in production will have an impact on the prices of petrol and diesel;
- and
- (e) if so, the details thereof?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL  
GAS (SHRI RAMESWAR TELI)**

(a) The decline in production of crude oil is due to natural decline and increase in water cut in wells of matured fields.

(b) & (c) Various policy initiatives taken to enhance production of crude oil inter alia include

**1. Long term Policy initiatives:**

- I. Policy for Relaxations, Extensions and Clarifications under Production Sharing Contract (PSC) regime for early monetization of hydrocarbon discoveries, 2014.
- II. Discovered Small Field Policy, 2015.
- III. Hydrocarbon Exploration and Licensing Policy, 2016.
- IV. Policy for Extension of Production Sharing Contracts, 2016 and 2017.
- V. Policy for early monetization of Coal Bed Methane 2017
- VI. Setting up of National Data Repository, 2017.

- VII. Appraisal of Un-appraised areas in Sedimentary Basins under National Seismic Programme, 2017
- VIII. Re-assessment of Hydrocarbon Resources 2017
- IX. Policy framework to streamline the working of Production Sharing Contracts in Pre- NELP and NELP Blocks, 2018.
- X. Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, 2018.
- XI. Policy framework for Exploration and exploitation of Coal Bed Methane (CBM) from areas under Coal Mining Lease allotted to Coal India Limited (CIL) and its subsidiaries 2018.
- XII. Policy Framework for Exploration and Exploitation of Unconventional Hydrocarbons under Existing Production Sharing Contracts (PSCs) Coal Bed Methane (CBM) Contracts and Nomination Fields, 2018.
- XIII. Reforms in Hydrocarbon Exploration and Licensing Policy for enhancing domestic exploration and production of oil and gas 2019.
- XIV. Natural Gas Marketing Reforms 2020.

## **2. Short and medium term initiatives:**

- i. Early Monetization of Existing Discoveries.
- ii. Improving Recovery Factor through implementation of Improved Oil Recovery (IOR) and Enhanced Oil Recovery (EOR) techniques.
- iii. Revival of sick wells.
- iv. Infill drilling of wells.
- v. Renewal of Facilities and other infrastructure.
- vi. Monetization of small and marginal discoveries in onshore through service contract and outsourcing.
- vii. Redevelopment of existing matured fields and development of new fields/marginal fields.
- viii. Induction of suitable technologies on selective fields.
- ix. Implementation of Production Enhancement Contracts.
- x. Implementation of IOR/EOR techniques

(d) to (e) Prices of petrol and diesel have been made market-determined with effect from 26.06.2010 and 19.10.2014 respectively. The Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of petrol and diesel in line with international product prices and other market conditions.