

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO.- 143
ANSWERED ON-04/12/2023

BOOSTING DOMESTIC CRUDE OIL PRODUCTION

143. SHRI B. PARTHASARADHI REDDY:

Will the Minister of Petroleum and Natural Gas be pleased to state:-

- (a) whether Government has specific measures in place to address the stagnant domestic crude oil production and the continuously rising demand for petroleum products in the country;
- (b) if so, the details of such measures, if not, the reasons therefor;
- (c) whether Government has plans to incentivize and promote domestic exploration and production of crude oil to enhance self-sufficiency; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a) to (b): With the objective to increase domestic oil production, Government has taken various long term and short policy initiatives, which inter-alia include: -

1. Long term Policy initiatives:

- i. Discovered Small Field Policy, 2015.
- ii. Hydrocarbon Exploration and Licensing Policy, 2016.
- iii. Policy for Extension of Production Sharing Contracts, 2016 and 2017.
- iv. Policy for early monetization of Coal Bed Methane 2017
- v. Setting up of National Data Repository, 2017.
- vi. Appraisal of Un-appraised areas in Sedimentary Basins under National Seismic Programme, 2017
- vii. Re-assessment of Hydrocarbon Resources 2017
- viii. Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, 2018.
- ix. 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.
- x. Policy Framework for Exploration and Exploitation of Unconventional Hydrocarbons under Existing Production Sharing Contracts (PSCs), Coal Bed Methane (CBM) Contracts and Nomination Fields, 2018.

- xi. Reforms in Hydrocarbon Exploration and Licensing Policy for enhancing domestic exploration and production of oil and gas 2019.

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. Renewal of Facilities and other infrastructure.
- v. Monetization of small and marginal discoveries in onshore through service contract and outsourcing.
- vi. Redevelopment of existing matured fields and development of new fields/marginal fields.
- vii. Induction of suitable technologies on selective fields.

(c) to (d) Government of India has notified Hydrocarbon Exploration and Licensing Policy (HELP) on 30th March 2016 for the award of exploration acreages to boost the Indian Exploration and Production (E&P) Sector shifting from Production Sharing mechanism to Revenue Sharing mechanism. To make policy more attractive, Government further notified the policy reforms on 28th February 2019, Revenue Share from Category II & III type of basins were removed, except for windfall gains, 7 years Royalty Holiday for Deep & Ultra-deep blocks and concessional Royalty Rates- 3.5 % for Deepwater and 1.4 % for ultra-deep water blocks. So far since 2017, Seven Open Acreage Licensing Policy (OALP) Round were successfully concluded with award of 134 exploration blocks covering 2,07,691 sq. km. area for E&P activities. Further, 99% of No-Go areas were opened for the Exploration and Production activities. In addition, fiscal incentives have been provided for early monetization of fields along with Marketing and Pricing freedom for natural gas. In line with the vision of ease of doing business in E&P Sector various steps have been taken inter-alia faster clearances through online Urja Pragati Platform, Easier Compliances through self-certification for reducing no of approvals, Urja Suraksha Samanvay for GIS based monitoring and greater collaboration through Upstream India Portal etc.

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