

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

UNSTARRED QUESTION NO:1369
ANSWERED ON:01.12.2005
ALLOTMENT OF OIL BLOCKS IN LIBYA
Tripathy Shri Braja Kishore

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

- (a) whether Oil and Natural Gas Corporation (Videsh) Limited and Oil India Limited have been allotted oil blocks in Libya;
- (b) if so, the details in this regard; and
- (c) the term and conditions fixed for each of these blocks in Libya?

Answer

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) & (b) : In the 2nd Libyan Bid Round, 2005, exploration block 81-1 in the Ghandames basin measuring 1809 Sq. Km has been awarded to ONGC Videsh Limited (OVL), under Exploration & Production Sharing Agreement (EPSA)-IV.

Earlier, OVL had acquired a 49% stake in two onshore exploration Blocks, NC-188, in the Ghandames Basin, and NC-189 in the Sitre basin in Libya in 2003. The Turkish Petroleum Overseas Co. (TPOC), a subsidiary of the Turkish National Oil Co., holds the remaining 51% PI, and is the Operator of the field.

The consortium of Indian Oil Corporation Limited (IOC) and Oil India Limited (OIL) has been awarded Block 86 (7087 Sq Km) in the Western Sitre Basin in the 1st Bid Round, 2004 and Block 102(4) (2710 Sq Km), which is contiguous to Block 86, in the 2nd Bid Round, 2005.

(c) : As per the EPSA for Block 81-1, proposed to be signed by OVL with the National Oil Company (NOC) of Libya in December 2005, OVL is required to complete the work programme consisting of acquisition of 500 Km of 2D and 500 Sq Km of 3D seismic data and drilling of one exploration well in the block over five year exploration phase. OVL is also required to make payment of minimum mandatory signature bonus of US\$ 6 million. The production allocation for OVL's cost recovery would be 11.8%.

As per the minimum work obligations in block NC-188 and NC-189, after acquisition, processing and interpretation of 2D and 3D seismic data, the two wells drilled did not result in any hydrocarbon finds.

The TPOC-OVL Joint Venture has sought for three years extension from the Libyan Government for drilling the remaining three wells.

As regards Block-86 awarded to IOC-OIL consortium, the exploration phase is for 5 years with a minimum work commitment of 1000 Line Kilometers (LKM) of 2D seismic survey and 2 wells and a Minimum Financial Commitment of US\$ 17 million.

For Block 102 (4) there is a Signature Bonus of US\$ 3.0 million, and the exploration phase is 5 years with a minimum work commitment of 1000 LKM-2D seismic survey, 500 sq. km. of 3D seismic survey and drilling of one well. The Minimum Financial Commitment is US\$ 17 million.