

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

STARRED QUESTION NO:38
ANSWERED ON:24.11.2005
PRODUCTION OF CRUDE OIL
Reddy Shri Suravaram Sudhakar

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

- (a) whether production of crude oil has showed a negative growth during April-September, 2005-06 as compared to the corresponding period during the last year;
- (b) if so, the details and the reasons therefore; and
- (c) the steps taken to enhance production of crude oil in the country?

Answer

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

(a) to (c) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (c) OF THE LOK SABHA STARRED QUESTION NO. 38 BY SHRI SURAVARAM SUDHAKAR REDDY TO BE ANSWERED ON THE 24TH NOVEMBER 2005 REGARDING PRODUCTION OF CRUDE OIL

(a) & (b) : The production of crude oil in the country during the first half of 2005-06, (April-Sept.' 05) was 16.14 MMT as against 17.00 MMT during the corresponding period of 2004-05, a shortfall of about 5%.

This shortfall in oil production was mainly due to the production loss on account of the MHN fire accident of July 2005 at Mumbai High, and decline in production from Assam and offshore fields, Heera & B-173A, during this period.

ONGC has initiated several actions for restoring production from Mumbai High field, as a result of which oil production has been increased to a level of approx. 2,18,000 - 2,20,000 barrels of oil per day (BOPD) from a level of 1,42,000 BOPD, the production level after the accident. Further, it is expected that oil production will reach 2,40,000 BOPD from Mumbai High field by pre-monsoon 2006. Efforts are being made to achieve a production level of 2,60,000 to 2,65,000 BOPD by 31 May 2006.

(c) : Various measures are being taken to substantially accelerate exploratory activities for enhancing domestic oil and gas production. These measures include the following:-

(i) increasing exploration efforts through the New Exploration Licensing Policy (NELP); Under NELP, 108 exploration blocks have been awarded to National Oil Companies, foreign companies and private/joint venture companies through the International Competitive Bidding process. This includes 18 Exploration Blocks recently awarded in the fifth round of NELP;

(ii) improving the recovery factor from existing major fields by implementing Enhanced Oil Recovery (EOR)/Improved Oil Recovery (IOR) schemes-in particular, Oil and Natural Gas Corporation Ltd.(ONGC) have taken up 15 fields for this purpose at an estimated investment of Rs. 10,972 crore, which would also help in accelerating oil production from these fields;

(iii) exploring new areas, especially in deep waters and difficult frontier areas, as also the deeper layers of already producing fields; and

(iv) developing newly discovered fields speedily and stepping up the use of new technologies for seismic surveys, work over, stimulation operations, drilling of wells etc. in producing areas;