

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

UNSTARRED QUESTION NO:2043
ANSWERED ON:09.03.2006
PRODUCTION OF CRUDE OIL
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

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

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) & (b) : The production of crude oil in the country during the first three quarters of 2005-06, (April-Dec.' 05) was 24.03 MMT as against 25.56 MMT during the corresponding period of 2004-05, a shortfall of about 6%.

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.

(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, 110 exploration blocks have been awarded to National Oil Companies, foreign companies and private/joint venture companies through the International Competitive Bidding process. This includes 20 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.