

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

STARRED QUESTION NO:271

ANSWERED ON:09.03.2006

EXTRACTION OF OIL AND GAS FROM COAL

Rawat Shri Ashok Kumar;Shiwankar Shri Maha Deo Rao

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

- (a) whether India has signed an agreement with China for extraction of oil and gas from coal;
- (b) if so, the details thereof;
- (c) whether the Government is contemplating to set up projects to extract oil and gas from coal; and
- (d) if so, the details thereof?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (d):- A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF THE LOK SABHA STARRED QUESTION NO.271 BY PROF. MAHADEORAO SHIWANKAR AND SHRI ASHOK KUMAR RAWAT TO BE ANSWERED ON 09.03.2006 REGARDING 'EXTRACTION OF OIL AND GAS FROM COAL'.

(a) & (b):- A Memorandum for Cooperation in the field of oil and natural gas between the National Development & Reforms Commission of the Peoples` Republic of China and the Ministry of Petroleum and Natural Gas of the Republic of India was signed on 12th January, 2006, which inter alia envisages encouraging cooperation between the companies and research institutions of both countries on enhancing exchange and communication in areas such as Coal Bed Methane (CBM), Underground Coal Gasification (UCG) and gas hydrates. Both CBM and UCG provide for technologies for obtaining gas from coal.

(c) & (d):- The Government has already put in place a Coal Bed Methane policy for offering areas for exploration and production of CBM in the country. The Government has already signed 16 contracts for exploration and production of CBM from various coal fields in the country. The Government has also offered another 10 blocks for exploration and production of coal bed methane under the third round of CBM.

ONGC has signed an MOU for technology cooperation with the Skotchinsky Institute of Russia for UCG. However, UCG activities in India are at the R&D stage.

Oil India Ltd. (OIL) with a foreign collaborator has made efforts to convert coal to synthetic crude in the North East. However, the viability of producing synthetic crude from coal on a commercial scale is yet to be established.