

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

UNSTARRED QUESTION NO:453

ANSWERED ON:01.03.2007

CONTRACT WITH RUSSIA FOR MORE OIL AND GAS

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

- (a) whether the Government plans to get more oil and gas from Russia;
- (b) if so, the details of Russian firms with whom contracts have been signed or proposed to be signed;
- (c) whether the earlier contracts signed by Indian oil companies and Russian oil companies proved any fruitful results; and
- (d) if so, the details thereof?

Answer

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

(a)&(b) : Issues relating to Indo-Russia cooperation in hydrocarbon sector are discussed on a regular basis which include bilateral energy dialogue, ways to enhance energy security, pursue opportunities for improving the process of diversification of energy supplies, and strengthening commercial energy partnerships in already identified and prospective oil and gas projects in India, Russia and third countries.

ONGC Videsh Limited (OVL), a wholly owned subsidiary of ONGC, holds stake in Sakhalin-I project in Russia. ONGC has also signed Memorandum of Understanding with Gazprom and Rosneft. Indian companies would like to work with Russian companies in Russia so that India is able to source 1 Million barrels of oil and oil equivalent gas per day from Russia in future.

(c)&(d) : OVL holds stake in Sakhalin-I project in Russia. Sakhalin-I is a large oil and gas field in offshore far east in Russia. OVL holds 20% Participating Interest (PI) in the fields; a subsidiary of Exxon-Mobil as the operator holds 30% PI; Sodeco, a consortium of Japanese companies holds 30% PI and balance 20% is held by two subsidiaries of Rosneft, a Russian Government entity. The Sakhalin-I Project consists of three fields Chayvo, Odoptu and Arkutun-Dagi offshore on the north east coast of Sakhalin Island in the Russian Far East. Together they contain an estimated 2.3 billion barrels of oil and 17.1 trillion cubic feet of gas.

The development of the field is currently in progress and with the installation of Interim Production Facility, the crude oil and natural gas production was started on a limited scale from October, 2005 for sales to domestic buyers. The export of Sakhalin-I crude oil has also commenced from September, 2006. Planned peak production for the current phase of 2,50,000 barrels per day was recently achieved in February, 2007. The first two cargos of OVL share of SOKOL crude oil were brought to New Mangalore for processing through Mangalore Refinery Petrochemicals Limited (MRPL), in December, 2006.