

GOVERNMENT OF INDIA  
MINISTRY OF PETROLEUM AND NATURAL GAS  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO 2690**  
ANSWERED ON – 16/03/2026

**BOOSTING DOMESTIC CRUDE PRODUCTION**

2690 SHRI S.R. SIVALINGAM:

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

- (a) whether Government intends to boost stagnant domestic crude production through strategic partnerships between State-owned entities and global energy majors at aging oil fields;
- (b) if so, the details of Government regulatory framework established under the Petroleum and Natural Gas Rules 2025 to facilitate easier licensing and attract new exploration investment; and
- (c) the impact of Government infrastructure expansion regarding pipelines and city gas distribution networks on the overall consumption of natural gas as a cleaner fuel alternative?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS  
(SHRI SURESH GOPI)

(a) & (b): Yes, the Government is implementing measures to increase domestic crude production. This includes permitting up to 100% Foreign Direct Investment (FDI) in the Exploration and Production sector and utilizing enhanced oil recovery methods in aging fields, such as technical collaboration of Oil and Natural Gas Corporation (ONGC) Limited with British Petroleum (BP) as a technical service provider at the Mumbai High field.

The Petroleum and Natural Gas Rules, 2025 notified on 09.12.2025 brought major reforms aimed at incentivizing exploration in previously under-explored and frontier areas, enhance recovery from existing producing fields and attract domestic and global investment, thereby increasing production of domestic crude oil and natural gas. These include delinking petroleum from mining operations, granting single petroleum lease up to 30 years within 180 days, enabling shared infrastructure, protecting against change in law, decriminalising offences, and providing efficient dispute resolution including neutral seat of arbitration for foreign investors.

(c) The expansion of pipeline and City Gas Distribution (CGD) networks has significantly increased the consumption of natural gas as a cleaner fuel. As of September 2025, 25,923 km pipeline network is operational. CGD networks now cover 307 Geographical Areas,

encompassing almost 100% of the mainland, with 8,616 CNG stations and 1.62 crore PNG domestic connections established as of 31.01.2026. Furthermore, the expansion of gas pipeline networks to remote areas such as the North-East States and Eastern India through the PM Urja Ganga Gas Pipeline (GAIL, 3,306 km) and the North-East Gas Grid (IGGL, 1,670 km) provides enhanced access to clean, reliable, and affordable energy across rural areas, industrial clusters, and City Gas Distribution (CGD) networks.

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