

**LOK SABHA
UNSTARRED QUESTION NO. 2257
TO BE ANSWERED ON 1st January, 2018**

Hydrocarbon Exploration Policy

2257. DR. KULAMANI SAMAL:

पेट्रोलियम व प्राकृतिक गैस मंत्री

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

- (a) the details of the Oil and Gas blocks identified for allocation along with blocks allocated under the Hydrocarbon Exploration and Licensing Policy (HELP) by the Government, company/area-wise;
- (b) the reserve/block-wise details of blocks where production has already been started as well as other allocated blocks where production is expected to be started soon;
- (c) the details of conditions for sharing of profit between the allocated companies and the Government;
- (d) the details of profit to be shared by the allocated companies with the Government from the sale of oil and natural gas from different blocks managed by private companies; and
- (e) whether the HELP is different from New Exploration and Licensing Policy and if so, the salient features thereof along with the benefits likely to be extended to oil and gas producing companies?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री (श्री धर्मेन्द्र प्रधान)

**MINISTER OF PETROLEUM & NATURAL GAS
(SHRI DHARAMENDRA PRADHAN)**

(a) & (b). Under Open Acreage Licensing Policy (OALP) as part of Hydrocarbon Exploration and Licensing Policy (HELP), Exploration & Production companies are allowed to put in offers at any time by submitting an initial Expression of Interest (Eol) indicating the area which it wishes to take up for exploration. Based on Eols received, the Government will carve out the blocks/fields and put them up for International Competitive Bidding. The first cycle for submitting Eol was opened from 1st July – 15th Nov 2017. Total 57 Eol were received during this period, out of which 48 are for onland basins, 8 are for shallow water basins and 1 is for deep-water basin. The Government has finalized 55 blocks for international competitive bidding. Total area admissible under these Eols is 59282 sq. km.

(c) & (d). As part of the competitive bids, the bidders are required to bid the percentage of revenue that they will share with the Government at Lower Revenue Point and Higher Revenue Point. The details of the revenue share with the Government will be finalized on completion of the bidding process and award of the contracts.

(e). Hydrocarbon Exploration and Licensing Policy (HELP) is a paradigm shift from the Production Sharing Contract (PSC) under New Exploration Licensing Policy (NELP). It is simple and easy to administer Revenue Sharing Model (RSC).

The salient features and benefits of new Hydrocarbon Exploration & Licensing Policy (HELP) are as follows: -

1. Single License for conventional and unconventional Hydrocarbons.
2. Easy to administer Revenue Sharing Model
3. Marketing & pricing freedom for the Crude oil & Natural gas produced.
4. Enhanced exploration phase.
5. Zero royalty rates for deepwater and ultra deepwater blocks for first seven years.
6. Equal weightage to work programme and fiscal share
7. Operation freedom to operator with minimum regulatory burden (Ease of doing business)
8. No cost recovery and micro-management by the Government.
9. Exemption from OIBD Cess.
