

LOK SABHA
UNSTARRED QUESTION No.188
TO BE ANSWERED ON 4th February, 2019

Oil and Gas Reserves in KG Basin

188. SHRI KESINENI NANI:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

(a) whether the Government has ascertained oil and natural gas reserves in the Krishna Godavari (KG) Basin;

(b) if so, the details thereof along with per day production of oil and natural gas in KG Basin;

(c) the cost of production of oil and gas in KG basin as compared to other sites in the country; and

(d) the selling price of the oil and gas produced from KG basin?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में मंत्री (श्री धर्मेन्द्र प्रधान)

MINISTER IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

(a) & (b): Crude oil and natural gas recoverable reserve established by the Oil and Natural Gas Corporation (ONGC) and private / joint venture Companies in the Krishna Godavari (KG) Basin is about 698 Million Metric Tonne of oil and oil equivalent of gas. Crude oil production in the KG Basin is about 19,190 barrels per day and Natural gas production is 9.8 Million Metric Standard Cubic Metre per day (MMSCMD).

(c): The production cost of companies vary from field to field depending upon size of the reservoir, location, availability of surface facilities, stage of production, etc. As per available information, the production cost of crude oil in KG basin varies from USD 12 to USD 42 per barrel whereas in other basins it varies from USD 15 to USD 62 per barrel. Similarly, the cost of natural gas production in KG basin varies from USD 4 to USD 8 per Million British Thermal Unit (MMBTU) whereas it varies from USD 2 to USD 8 per MMBTU in other basins.

(d): The sale price of crude oil production in KG basin is based on international benchmark of crude oil price. The natural gas price is computed as per the formula prescribed under the New Domestic Natural Gas Pricing Guidelines 2014. However, in case of natural gas produced from Deepwater, Ultra Deep Water and High Pressure-High Temperature marketing including pricing freedom is allowed subject to ceiling under the extant Policy Guidelines dated 21st March, 2016. On account of this, sale price of natural gas during 2017-18 in KG Basin varies from USD 2.7 to USD 7.7 per MMBTU depending upon production from onland / shallow water blocks or Deepwater blocks.