

LOK SABHA
UNSTARRED QUESTION NO. 813
TO BE ANSWERED ON 24th July, 2025

Crude Oil and Hydrocarbon Reserves Exploration Plan in Andaman and Nicobar Region

†813: Shri Shyamkumar Daulat Barve:
Shri M K Raghavan:

पेट्रोलियम एवं प्राकृतिक गैस मंत्री

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

- (a) whether the exploration of potential hydrocarbon reserves in the Andaman-Nicobar Basin is considered extremely important from the strategic perspective of India's energy self-reliance and long-term energy security and if so, the details thereof;
- (b) the details regarding the presence of crude oil or hydrocarbon reserves in the Andaman and Nicobar Islands or the adjoining offshore areas including estimated reserves and the results of preliminary exploration surveys;
- (c) whether the primary indications of the presence of oil and gas were found in specific areas during the Deep Andaman Offshore Survey conducted by Oil India Limited (OIL) in 2020 and whether drilling has been permitted in those areas and if so, the details thereof;
- (d) whether the Government has initiated any plans for the commercial exploration or extraction of crude oil from this region and if so, the details along with the timeline for such exploration activities and the agencies or partners involved;
- (e) whether the data obtained from the National Data Repository (NDR) under the Open Acreage Licensing Policy (OALP) and Hydrocarbon Exploration and Licensing Policy (HELP) can be used to attract foreign companies for investment and if so, the details thereof along with the blocks in the Andaman region for which investment proposals have been received so far; and
- (f) whether the Oil and Natural Gas Corporation (ONGC) had drilled six wells in the Andaman region during 2013-14 but did not achieve commercial success and whether the new strategy adopted by the Government after 2020 such as exploration in shallow water areas has been formulated considering the earlier failures and if so, the details thereof?

ANSWER
पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय में राज्यमंत्री
(श्री सुरेश गोपी)

**MINISTER OF STATE IN THE MINISTRY OF PETROELUM & NATURAL GAS
(SHRI SURESH GOPI)**

(a) to (f): After 2014, India has witnessed several major reforms and policy shifts that have reshaped the exploration and production (E&P) landscape. One of the most significant changes was the transition from the Production Sharing Contract (PSC) regime to the more business-friendly Revenue Sharing Contract (RSC) model in 2015. In 2022, the government made a strategic move by opening up areas previously designated as “NO-GO,” thus expanding the scope for exploration. Furthermore, from 2016 to 2025, the government placed strong emphasis on data-driven exploration, including sedimentary basin data generation, the expansion of the National Data Repository (NDR), and the launch of a stratigraphic well drilling campaign in 2024. These efforts culminated in the landmark amendment of the Oil Fields (Regulation and Development) Act, 1948, passed by Parliament in 2025.

In addition to structural reforms, the Government of India introduced several enabling policies such as the Hydrocarbon Exploration and Licensing Policy (HELP) and its flagship initiative, the Open Acreage Licensing Program (OALP), in 2016. Other supportive measures included granting marketing and pricing freedom for natural gas, the Discovered Small Fields Policy (2018), sedimentary basin categorisation, and fiscal and contractual relaxations in 2019, along with the deregulation of crude oil marketing in 2022. These initiatives aimed to attract investment, simplify regulatory procedures, and boost domestic hydrocarbon production.

As a result of these concerted efforts, more than 80% of current exploration acreages were awarded after 2015, and fourteen new hydrocarbon discoveries have been made. Increased data availability through the NDR has led to greater interest in deep offshore blocks in recent bidding rounds. Participation levels in the Open Acreage Bid Rounds have also shown a positive upward trend. Fields awarded under OALP and the Discovered Small Fields Policy have begun test production, and the trend indicates a promising future for commercial operations. These achievements reflect India’s strong policy push and strategic vision to enhance domestic exploration, attract private investment, and move toward long-term energy security.

Further, Government is taking sustained measures towards exploring and identifying crude oil and hydrocarbon reserves in the Andaman-Nicobar(AN) basin so that they can contribute to the country’s long term energy security and reduce import dependence. India’s Hydrocarbon Resource Assessment Study (HRAS) estimates hydrocarbon resources of 371 Million Metric Tons of Oil Equivalent (MMTOE) in the AN Basin. Subsequent to HRAS 2017, a 2-Dimensional (2D) broadband seismic survey has been completed in 2024 in approximately 80,000 line

kilometres of India's Exclusive Economic Zone (including in Andaman offshore). This has helped acquire the essential sub-surface data required for identifying prospective hydrocarbon reserves. Government through Oil India Limited (OIL) has also acquired a total of 22,555 Line Kilometer (LKM) of 2D seismic data in Deep Andaman Offshore Survey during 2021-22. Exploration and Production (E&P) companies including foreign operators have access to the E&P data available on the National Data Repository (NDR) for carving out blocks and subsequently submitting Expression of Interests (EOIs)/ or bids in OALP bid rounds. Four blocks have been awarded under the Open Acreage Licensing Program (OALP) bid rounds to M/s Oil India Limited (OIL) and M/s Oil and Natural Gas Corporation Limited (ONGC).

ONGC has not drilled any well during 2013-14 in the AN basin. However, six wells had been drilled during 2011-13 without commercial success. Government is actively promoting exploration in challenging offshore areas (which includes shallow water areas of AN basin) through a series of policy incentives, including data acquisition as listed in Annexure-1. Basis the new data acquisitions and interpretation of the same, OIL and ONGC have undertaken extensive drilling campaigns in the AN basin.

ANNEXURE-1

1. About 1 Million Sq. Km. (SKM) 'No-Go' area in offshore, which were blocked for exploration for decades, were released for E&P activities in September, 2022.
2. The Government of India through Oil India Limited (OIL) acquired a total of 22,555 Line Kilometer (LKM) of 2- Dimensional (2D) seismic data in Deep Andaman Offshore Survey during 2021-22.
3. For the current phase of exploration, blocks as large as 20,000 square kilometres have been delineated, signifying an ambitious and efficient approach to resource assessment in this frontier basin.
4. Extended exploration phase of 7 years period,
5. Stabilization period for revenue share at Lower Revenue Point (LRP) rate up to 7 years,
6. Three year Retention Period for Sub-Commercial Discoveries,
7. Change in consortium prior to bidding,
8. Free basic data package, Reduced Bid Bond, Rationalized Operatorship experience
9. Bidding only on 2D & 3- Dimensional (3D) Seismic with originator incentive of 10 points.