

LOK SABHA
STARRED QUESTION NO. 220
TO BE ANSWERED ON 9TH MAY, 2016

ACQUISITION OF ASSETS ABROAD BY ONGC/ OVL

*220. SHRIMATI VANAROJA R:
SHRI UDAY PRATAP SINGH:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the details of oil and gas blocks acquired by Oil and Natural Gas Corporation Limited (ONGC)/ONGC Videsh Limited (OVL)/Oil Marketing Companies (OMCs) along with status of commercial production in these oil and gas blocks, company/country/block-wise;
- (b) whether the recent crash in crude oil prices has affected the OVL to maintain lower production cost and positive cash flow and if so, the details thereof along with corrective steps taken in this regard, company/country/block-wise;
- (c) whether OVL is conducting oil and natural gas exploration in the South China Sea in economic cooperation with Vietnam Government and if so, the details thereof;
- (d) whether the Government has received any representation from China in this regard and if so, the details thereof along with the response of the Government thereto;
- (e) whether ONGC/OVL and OMCs including IOCL have bought/proposes to buy stake in the Russian Oil fields in Siberia and have signed agreements/Memorandum of Understanding (MoU) with Rosneft to develop Vankor cluster fields of Suzunskoye, Tagulskoye and Lodochnoye; and
- (f) if so, the details thereof along with the amount proposed to be invested as a result of these agreements and MoU, company-wise and the benefits likely to accrue to the country therefrom?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार) (श्री धर्मेन्द्र प्रधान)
THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF
PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) to (f): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO. 220 BY SHRIMATI VANAROJA R AND SHRI UDAY PRATAP SINGH TO BE ANSWERED ON 09TH MAY, 2016 REGARDING ACQUISITION OF ASSETS ABROAD BY ONGC/ OVL

(a) The details of oil and gas blocks along with the status of commercial production are placed at **ANNEXURE A**.

(b) While the crude prices have decreased considerably in the recent times, the cost of Exploration and Production activities has not decreased at the same rate, except expenditure on services. Therefore, the recent crash in the crude prices has adversely affected the cash flow of ONGC Videsh Limited (OVL).

(c) OVL has signed Production Sharing Contracts (PSCs) for exploratory blocks 127 and 128 with 100% Participating Interest (PI) in Offshore Phu Khanh Basin, in Vietnam in May 2006. Investment license was issued for the two blocks in June 2006. After completion of the exploratory work OVL did not find any indication of hydrocarbon in Block 127. The block was, therefore, surrendered in December 2010. The Block 128 is under extended Exploration Phase-I and committed exploratory work program in this Block has been completed. OVL also has an offshore gas producing block 06.1 in Vietnam with 45% PI.

(d) In November 2007, the Embassy of China in New Delhi made a demarche on these contracts to the Ministry of External Affairs, claiming China's undisputed sovereignty on the area covering the two blocks. The Vietnamese side, however, reaffirmed its sovereign rights on the area of these two blocks in January 2008. OVL has accordingly, continued its exploration activities.

(e) An Indian Consortium, comprising of Indian Oil Corporation Limited (IOCL), Oil India Limited (OIL) and Bharat Petro Resources Limited (BPRL), jointly signed Share Purchase Agreement with Rosneft of Russia on acquiring 29.9 % share in Taas-Yuryakh. They also signed a Heads of Agreements with Rosneft of Russia on acquiring of 23.9% share in Vankorneft. The Indian Consortium also signed an MoU with Rosneft of Russia for acquiring stakes in Vankor cluster. OVL separately signed an MoU with Rosneft of Russia regarding acquiring of 11% share in Vankorneft. Earlier OVL had signed a SPA with Rosneft for acquisition of 15% share in Vankorneft.

(f) The final sales contracts have not yet been signed in all these cases.

OVERSEAS PROJECTS/ASSETS

Sl. No.	Country	Name of the Project	Participating Companies and their Share	Status of Commercial Production (IOCL) in Boe/d	Status of Commercial Production (OIL) in BOPD	Status of Commercial Production (OVL) in MMTOE
1.	Vietnam	Block 06.1, Offshore	ONGC 45% Videsh-35% (Operator) Petrovietnam-20%	NA	NA	1.688
		Block 128, Offshore	ONGC 100% Videsh-	NA	NA	NA
2.	Russia	Sakhalin-1, Offshore	ONGC 20% Videsh – 30% (Operator) Exxon Mobil – 30% Sodeco – 30% SMNG – 11.5% RN Astra – 8.5%	NA	NA	2.330
		Imperial Energy, Russia	ONGC 100% Videsh-	NA	NA	0.335
		License 61	OIL: 50% Petronet: 50%	NA	1085	NA
3.	Sudan	GNPOC, Block 1, 2 & 4, Sudan	ONGC 25% Videsh – 40% CNPC – 30% Petronas – 5% Sudapet – 5% (Jointly Operated)	NA	NA	0.627
		Khartoum-Port Sudan Pipeline (741 Km), Sudan	ONGC 90% Videsh- (Operator) OIL-10%	NA	NA	NA
4.	South Sudan	GPOC, Block 1, 2 & 4, South Sudan	ONGC 25% Videsh – 40% CNPC – 30% Petronas – 5% Nilepet – 5% (Jointly Operated)	NA	NA	NA
		SPOC/Block 5A, South Sudan	ONGC 24.125% Videsh– 67.875% Petronas– 8% Nilepet – 8% (Jointly Operated)	NA	NA	NA
5.	Myanmar	Block A-1, Myanmar	ONGC 17% Videsh – 51% Daewoo– (Operator) KOGAS – 8.5% GAIL – 8.5% MOGE – 15%	NA	NA	0.891

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		Block A-3, Myanmar	ONGC Videsh – 17% Daewoo–51% (Operator) KOGAS – 8.5% GAIL – 8.5% MOGE – 15%	NA	NA	
		Shwe Offshore Mid-Stream Project, Myanmar	ONGC Videsh – 17% Daewoo–51% (Operator) KOGAS – 8.5% GAIL – 8.5% MOGE – 15%	NA	NA	NA
		Onshore Gas Transportation Pipeline, Myanmar	ONGC Videsh – 8.347% CNPC-SEAP – 50.9% (Operator) Daewoo – 25.041% GAIL - 4.1735% KOGAS - 4.1735% MOGE - 7.365%	NA	NA	NA
		Block B-2,	ONGC Videsh - 97% (Operator) M&S - 3%	NA	NA	NA
		Block EP-3, Myanmar	ONGC Videsh - 97% (Operator) M&S - 3%	NA	NA	NA
6.	Mozambique	Rovuma Area-1	ONGC Videsh - 16% Anadarko - 26.5% (Operator) OIL - 4% ENH - 15% Mitsui - 20% BPRL - 10% PTTEP - 8.5%	NA	NA	NA
7	Iraq	Block 8, Iraq	ONGC Videsh - 100%	NA	NA	NA
8.	Iran	Farsi Offshore Block, Iran	ONGC Videsh – 40% (Operator) IOC – 40% OIL – 20%	NA	NA	NA
9.	Libya	Block 43, Libya	ONGC Videsh- 100%	NA	NA	NA
		Area 95-96	Sonatrach – 50% Indian Oil – 25% OIL – 25%	NA	NA	
10.	Syria	Block 24, Syria	ONGC Videsh – 60% IPR International –	NA	NA	NA

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			25% (Operator) Tri Ocean Mediterranean – 15%			
		Al Furat Petroleum Co., Syria	Himalaya Energy (Syria) B.V. – 33.33% to 37.5% Shell – 66.67% to 62.5% (Operator –Al Furat Petroleum Company)	NA	NA	NA
11.	Brazil	Block BM- SEAL-4, Brazil	ONGC Videsh- 25% Petrobras -75% (Operator)	NA	NA	NA
		BC-10, Brazil, Offshore	ONGC Videsh - 27% Shell - 50% (Operator) Qatar Petroleum International - 23%	NA	NA	0.689
12.	Colombia	Mansarovar Energy Colombia Limited (MECL), Colombia	ONGC Videsh–25- 50%, Sinopec-25-50% Ecopetrol-50% (Jointly Operated)	NA	NA	0.623
		Block RC-8, Colombia	ONGC Videsh – 40% (Operator) Ecopetrol - 40% Petrobras – 20%	NA	NA	NA
		Block RC-9, Colombia	ONGC Videsh – 50% Ecopetrol - 50% (Operator)	NA	NA	NA
		Block RC-10, Colombia	ONGC Videsh – 50% (Operator) Ecopetrol - 50%	NA	NA	NA
		Block LLA-69, Colombia	ONGC Videsh - 50% SIPC - 50% (Jointly Operated)	NA	NA	NA
		Block GUA OFF 2, Colombia	ONGC Videsh - 100%	NA	NA	NA
13	Venezuela	San Cristobal Project,	ONGC Videsh- 40% PDVSA-60% (Jointly Operated)	NA	NA	0.649
		Carabobo-1 Project,	ONGC Videsh – 11%	676.31	770	0.119

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		Venezuela	IOC – 3.5% OIL – 3.5% Petronas – 11% PDVSA – 71% (Jointly Operated)			
14	Kazakhstan	Satpayev Project, Kazakhstan	ONGC Videsh – 25% KMG – 75% (Operator)	NA	NA	NA
15.	Azerbaijan	ACG, Azerbaijan	ONGC Videsh-2.7213% BP-36% (Operator) SOCAR-12% Chevron-11% INPEX-11% Exxon-8% StatOil-8% TPAO-7% ITOCHU-4%	NA	NA	0.965
		BTC Pipeline (1760 Km), Azerbaijan	ONGC Videsh-2.36% BP-30.1% (Operator) SOCAR-25% StatOil-8.71% TPAO-6.53% ITOCHU-3.4% Chevron-8.9% INPEX-2.5% ENI-5% TOTAL-5% Conoco Philips-2.5%	NA	NA	NA
16.	Bangladesh	Block SS4, Bangladesh	ONGC Videsh - 45% (Operator), OIL - 45% BAPEX - 10%	NA	NA	NA
		Block SS9, Bangladesh	ONGC Videsh - 45% (Operator), OIL - 45% BAPEX - 10%	NA	NA	NA
17.	New Zealand	Block- 14TAR-R1,	ONGC Videsh - 100%	NA	NA	NA
18.	Indonesia	Nunukan Block	BPRL- 12.5% PT Pertamina Hulu Energy-35% (operator) PT Medico – 40% Videocon Indonesia -12.5%	NA	NA	NA

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19.	Australia	Block EP – 413 (onland)	BPRL- 27.803%	NA	NA	NA
20.	East Timor	Block JPDA 06-103	BPRL- 20%	NA	NA	NA
21.	USA	Niobrara Shale Oil/Condensate JV asset	Carrizo (Niobrara) LLC – 60% OIL - 20% Indian Oil – 10% Haimo Oil & Gas - 10%	561	354	NA
22.	Canada	Pacific Northwest LNG Project	Progress Energy Canada Ltd. – 62% Sinopec – 15% Indian Oil – 10% Japex – 10% Petroleum Brunei – 3%	11,891.5	NA	NA
23.	Nigeria	OPL- 205 OML – 142	Summit Oil 30% Suntera Nigeria 205 Ltd – 70%* * Suntera 50%, Indian Oil 25%	NA	NA	NA
24.	Gabon	Shakthi	Old PSC: OIL – 45% Indian Oil – 45% Marvis Pte Ltd - 10% New PSC: OIL – 50% Indian Oil – 50%	NA	NA	NA
25.	Yemen	82	Medco – 45% Kuwait Energy – 25% IOC- 15% OIL- 15%	NA	NA	NA