

December 13, 2007
New Delhi

Press Note by Ministry of Petroleum & Natural Gas on the occasion of launch of Seventh round of New Exploration Licensing Policy (NELP-VII) offering 57 blocks for exploration of oil and gas

Shri Murli Deora, Minister of Petroleum & Natural Gas launched the Seventh round of New Exploration Licensing Policy (NELP-VII) today at New Delhi. NELP-VII provides an attractive investment opportunity for companies to explore oil and gas in 57 blocks, which comprise 19 deepwater blocks, 9 shallow water blocks and 29 onland blocks. The 57 blocks cover a sedimentary area of about 1.71 Lakh sq. km. List of exploration blocks on offer is annexed.

2. NELP has boosted exploration efforts significantly in the country with increasing areas including deepwater coming under exploration. After six rounds, the area under exploration has increased four times to 44% of Indian Sedimentary Basinal area from 11% before implementing NELP. Hydrocarbon reserves accretion has already been more than 600 Million Metric Tonne of oil equivalent. As the exploration work progresses in NELP blocks, new oil and gas discoveries are pouring in. Under NELP, 49 oil and gas discoveries have already been made in 15 exploration blocks (5 blocks in NELP I, four blocks each in NELP II and NELP III, and two in NELP IV).

3. In order to address the concerns expressed by E&P companies in NELP-VII and based on the experience gained in previous rounds, the Government undertook extensive consultations with various stakeholders including E&P companies, industry bodies such as CII and Petrofed. The views of various stakeholders have been factored in, while preparing bid documents for NELP-VII.

4. The following are the highlights of NELP-VII:

- i) Blocks have been divided into three categories - Type-A, Type-B, Type-S on the basis of geological perceptions, size of the blocks and tailor made bid evaluation criteria framed accordingly.
- ii) For onland and shallow water blocks (Type-A & Type-B), technical capability is the qualifying criterion. In case of Type-S onland blocks, bid evaluation will be made on work programme and fiscal package parameters only.
- iii) In order to attract multiple and experienced players in deepwater, the concept of consortium under the heading of technical capability for deepwater blocks only is introduced, where experienced companies in deepwater exploration being operator of the block and bidding for NELP deepwater blocks along with other Indian companies will be benefited with an additional 10 points.
- iv) Mandatory 2D seismic is only for 23 exploration blocks, out of 57 blocks.

5. A special website on NELP-VII containing a large set of information including online data has been prepared and is being hosted for NELP-VII. Connectivity is also being provided through the website of the Ministry of Petroleum & Natural Gas and

Directorate General of Hydrocarbons. The NELP-VII details can be seen at the following web sites:

www.indianelpvii.com

www.petroleum.nic.in

www.dghindia.org

6. Promotional road shows for NELP-VII are planned at Mumbai (8th January, 2008), London (24th -25th January, 2008), Houston (28th -29th January, 2008), Calgary (31st January-1st February, 2008), Singapore (11th February, 2008), Perth (14th -15th February, 2008). During the road shows, presentations will be made on the emerging geological prospectivity of Indian basins as well as the contractual and fiscal framework. Successful operating companies in India and financial consultants will also share their experience of the working / investment environment in the country. The road shows will also cover one-on-one meeting with E&P companies / investors. The objective of the road shows is to showcase India's discoveries and increase awareness about the policy framework as well as to promote India as an attractive investment destination. These focused efforts are aimed at encouraging the companies to visit data rooms and participate in the NELP-VII bidding process.

7. All geo-scientific data will be made available online through the internet to enable companies to view data at their own convenience and location. Work stations will be provided at Data Centres at Delhi, London, Houston, Perth and Calgary. The work stations will be equipped with software for enabling companies to analyze and interpret the data at the data centre itself expeditiously. The Data Centres will also provide on the spot clarifications. Details of all operational blocks from earlier rounds such as work programme, fiscal terms, etc., will be available at Data Centres. This will enable companies to assess existing work programme as well as other bidding parameters while formulating their own bids and may also help them in forming strategic alliances.

8. In order to provide sufficient time to interested companies in view of the larger number of blocks and to review and buy data, finalize strategic alliances, etc., companies / investors have been provided a larger time frame and the bid closing date for NELP-VII will be 11th April, 2008. Thereafter, the Government will evaluate the bids, make awards, finalize and sign the Production Sharing Contracts within 4 months.

**DETAILS OF EXPLORATION BLOCKS ON OFFER WITH BLOCK TYPES AND MANDATORY WORK PROGRAMME
UNDER NEW EXPLORATION LICENSING POLICY - SEVENTH ROUND (NELP-VII)**

SI No.	Basin	Block Name	Map Ref No.	Block Type	Area (Sq. Km.)	Mandatory Work Program 2D Seismic (API)		
						Grid Size	Quantum of Work in LKM (Approx.)	
Deep Water Blocks								
1	Gujarat-Saurashtra	GS-DWN-2005/1	D-1	B	5216	-	-	
2		GS-DWN-2005/2	D-2	B	5485	-	-	
3		GS-DWN-2005/3	D-3	B	6820	-	-	
4		GS-DWN-2005/4	D-4	B	6531	-	-	
5		Mumbai	MB-DWN-2005/1	D-5	A	3397	-	-
6			MB-DWN-2005/2	D-6	A	3660	-	-
7			MB-DWN-2005/3	D-7	A	3097	-	-
8			MB-DWN-2005/5	D-9	A	3408	-	-
9			MB-DWN-2005/6	D-10	A	3169	-	-
10			MB-DWN-2005/8	D-12	A	4993	-	-
11			MB-DWN-2005/9	D-13	A	3324	-	-
12	MB-DWN-2005/10	D-14	A	2961	-	-		
13	MB-DWN-2005/11	D-15	A	3138	-	-		
14	Kerala-Konkan	KK-DWN-2005/1	D-16	B	14675	32 x 32	1170	
15		KK-DWN-2005/2	D-17	B	19234	32 x 32	1540	
16	Krishna-Godavari	KG-DWN-2005/1	D-18	A	1727	16 x 16	140	
17		KG-DWN-2005/2	D-19	A	1949	-	-	
18		KG-DWN-2005/3	D-20	A	2246	16 x 16	310	
19	Andaman Offshore	AN-DWN-2005/1	D-21	B	11837	32 x 32	940	
Shallow Water Blocks								
20	Mumbai	MB-OSN-2005/1	S-1	A	2811	-	-	
21		MB-OSN-2005/2	S-2	A	1191	-	-	
22		MB-OSN-2005/3	S-3	A	2810	-	-	
23		MB-OSN-2005/4	S-4	A	2998	-	-	
24		MB-OSN-2005/5	S-5	A	2402	-	-	
25		MB-OSN-2005/6	S-6	A	2820	-	-	
26	Krishna-Godavari	KG-OSN-2005/1	S-7	A	2810	-	-	
27		KG-OSN-2005/2	S-8	A	1881	-	-	
28		KG-OSN-2005/3	S-9	A	1697	-	-	
Onland Blocks								
29	Assam-Arakan	AA-ONN-2005/2	2	A	363	-	-	
30	Purnea	PA-ONN-2005/1*	5	B	1096	32 x 32	90	
31		PA-ONN-2005/2*	6	B	2552	32 x 32	200	
32	Bengal	WB-ONN-2005/1*	7	B	3172	32 x 32	250	
33		WB-ONN-2005/2*	8	B	3792	32 x 32	300	
34		WB-ONN-2005/3*	9	B	4001	32 x 32	300	
35		WB-ONN-2005/4*	10	B	3940	32 x 32	300	
36	Ganga	GV-ONN-2005/3*	13	B	2202	32 x 32	170	
37		GV-ONN-2005/4*	14	B	1586	32 x 32	120	
38		GV-ONN-2005/5*	15	B	2227	32 x 32	170	
39	Satpura-Rewa	SR-ONN-2005/1*	16	B	789	32 x 32	60	

40	Vindhyan	VN-ONN-2005/1*	17	B	3776	32 x 32	300
41		VN-ONN-2005/2*	18	B	4908	32 x 32	390
42	Rajasthan	RJ-ONN-2005/1	20	A	1424	32 x 32	110
43		RJ-ONN-2005/2	21	A	1517	32 x 32	120
44		RJ-ONN-2005/3	22	A	1217	32 x 32	90
45	Cambay	CB-ONN-2005/1	23	S	61	-	-
46		CB-ONN-2005/2	24-A & B	S	81	-	-
47		CB-ONN-2005/3	25	S	48	-	-
48		CB-ONN-2005/4	26	S	31	-	-
49		CB-ONN-2005/5	27	S	83	-	-
50		CB-ONN-2005/6	28	S	102	4 x 4	50
51		CB-ONN-2005/7	29	S	200	-	-
52		CB-ONN-2005/8	30	S	133	4 x 4	60
53		CB-ONN-2005/9	31	S	170	-	-
54		CB-ONN-2005/10	32	A	270	-	-
55		CB-ONN-2005/11	33	A	257	-	-
56	Palar	PR-ONN-2005/1	34	B	1807	16 x 16	250
57	Cauvery	CY-ONN-2005/1	35	A	946	-	-

*Frontier Block