

File No. O-23011/75/2013-ONG-I
Ministry of Petroleum & Natural Gas
Exploration Division

Dated: 20.1.2014

OFFICE MEMORANDUM

Subject: Site Restoration Guidelines for Petroleum Operations

Production Sharing Contract (PSC) provides for site restoration after cessation of petroleum operations where proper abandonment of wells or other facilities, removal of equipment, structures and debris, replacement of top soil, re-vegetation, slope stabilisation, in-filling of excavations or any other appropriate actions in the circumstances are to be carried out by the contractor. As of today, no major site restoration work has been taken up under production sharing contract regime except one small field i.e. "Matar" field in the State of Gujarat. There is a felt need to formulate guidelines for site restoration which will be beneficial for completion of site restoration for petroleum operations promptly by the contractor as per defined norms. These guidelines will also establish transparent policies and procedures for abandonment and decommissioning of petroleum operational activities.

2. In this connection, a proposal was sent by DGH for setting up a Committee for preparation of site restoration guidelines pursuant to a meeting taken by Secretary (P&NG) with the Association of Oil & Gas Operators (AOGO).

3. The matter has been considered by the Government and a "Committee on Site Restoration for Petroleum Operations" is hereby constituted for formulation of site restoration guidelines for petroleum operations. The composition of the Committee on Site Restoration for Petroleum Operations is as under:

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|--|------------|
| i) Director General, DGH | - Chairman |
| ii) Joint Secretary (Exploration), MOPNG | - Member |
| iii) Joint Secretary, MOEF | - Member |
| iv) ED, Oil Industry Safety Directorate | - Member |
| v) DG, Directorate General of Mines Safety | - Member |
| vi) Director (offshore), ONGC | - Member |
| vii) Director(Operation), OIL | - Member |
| viii) MD, ONGC Videsh Limited | - Member |
| ix) Representative of British Petroleum | - Member |

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| x) | Representative of Cairn India Limited | - | Member |
| xi) | Representative of Reliance Industries Limited | - | Member |
| xii) | Representative of Jubilant Energy | - | Member |
| xiii) | Two representatives of AOGO | - | Members |
| xiv) | Representative of DGH to be nominated by DG, DGH | - | Member Secretary |

4. The Committee on Site Restoration for Petroleum Operations will have the following terms of reference:

- i. To identify global best practices for site restoration after cessation of petroleum operations.
- ii. To develop guidelines for site restoration for onland and offshore oil & gas fields.
- iii. To develop the Standard Operating Procedures (SOP) for abandonment and site restoration for onland and offshore oil & gas fields.

5. For the achievement of above objectives, the Chairman of the Committee is authorized to appoint consultants, if required, after following established procedures.

6. The Committee shall submit its Report to the Ministry of Petroleum & Natural Gas within three months. Expenditure on account of the Committee will be borne by DGH from its Budget.

7. This issues with the approval of Minister, Petroleum & Natural Gas.


(K.M. Singh)

Under Secretary to the Government of India
Tel: 23384518

Copy to:

1. DG, DGH
2. All members of the Committee