

Discovered Small Fields Bid Round 2016

Wednesday, 15 February, 2017, Delhi

Press Release

Award of 31 Contract Areas under DSF 2016

Delhi, 15th February, 2017:The Cabinet Committee on Economic Affairs (CCEA) has approved award of 31 contract areas to Highest Ranked Bidders as part of the Discovered Small Field (DSF) Bid Round 2016. Government endeavors to execute these contracts at the earliest so that the awardee can commence production.

The Government of India brought out a new policy for small fields known as Discovered Small Field (DSF) policy, 2015. This policy offers improved fiscal terms viz. no oil cess applicable on crude oil production, moderate royalty rates same as in NELP regime, no upfront signature bonus, pricing and marketing freedom for oil and gas and no carried interest by NOCs. This round has substantially removed regulatory burden on the operators and comes after 6 years (of NELP IX round).

Under the DSF Bid Round 2016, a total of 134 e-bids were received for 34 Contract areas. Subsequently, through a detailed evaluation of the bids, 22 companies (singly or in consortium) were shortlisted for 31 Contract Areas. Of these 22 companies, 15 companies are new entrants to the E&P sector.

Details of Contract areas awarded:

Details of Contract areas	
Onland	23
Offshore	08
Total	31

Total No. of approved contract areas	PSUs	Private Companies	PSU + Private Company	Foreign
31	10	19	1	1

The bid round was launched on 25th May 2016 by the Ministry of Petroleum and Natural Gas (MoPNG), Government of India under a liberalized and investor friendly regime, which offered 46 Contract areas consisting of 67 fields spread across 9 sedimentary basins.

Following the launch in May 2016, Directorate General of Hydrocarbons (DGH) and MoPNG organized several interactive meet-cum-roadshows between June– October 2016 at oil

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and gas centers and investments destinations in India and across the world. The overwhelming response and surging interest level of the bidders was clearly evident at all such events.

The progressive features of the bid round such as Revenue Sharing Model, Unified Licensing Policy and various other fiscal incentives attracted the interest of various small and large O&G companies operating in the sector, start-up ventures and companies looking to diversify in the sector.

As exploration and production sectors is one of the critical sector for India's Make in India initiative and energy security goals, Hon'ble Prime Minister has set out a target of reduction in energy import dependency by 10% by the year 2022. Aligned to this vision, the DSF bid round was launched to early-monetize the already discovered hydrocarbon fields.

With the current bid round it is anticipated that the cumulative peak production would be around 15000 BOPD of oil and 2 MMSCMD of gas from all the awarded fields, considering that in place volume reserves of 62 MMT of oil and oil equivalent gas over economic life is expected to be monetized.

Further, it has been estimated that the indicative gross revenue over economic life would be approximately Rs. 46,400 crores, of which royalty collection and Government's revenue share is expected to be around Rs. 5000 crores and Rs. 9,300 crores, respectively. The investments into the awarded blocks are expected to generate an employment of over 37,500.

This bid round has also seen 37 new entrants of which 15 have been awarded either singly or in consortium. These blocks being small and discovery of hydrocarbon having been made are relatively less risky, offering a great opportunity to new entrants in the upstream hydrocarbon sector, hitherto being seen as preserve of only large players.

Successful completion of this bid round in a period of crude oil price volatility underlines the fact that investors are looking positively at the policy driven approach of the Hon'ble Prime Minister.

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Contract Area Wise list of awardees is as under:

S.no	Location	Contract Area Name	Company Name	PI (%)
1	Assam	AA/ONDSF/ HILARA/2016	Prize Petroleum Company Limited	100
2		AA/ONDSF/ LAXMIJAN/2016	Megha Engineering and Infrastructures limited	100
3		AA/ONDSF/ PATHARIA/2016	VijayasriBhaskar Industries private limited	100
4		AA/ONDSF/ BARSILLA/2016	Ramaynalspat Private Limited	29
			BDN Enterprises Pvt Ltd	29
			Duggar Fiber Pvt Ltd	23
			MahendralnfratechPvt Ltd	19
5		AA/ONDSF/CHARAIDEO/2016	OilMax Energy Private Limited	100
6		AA/ONDSF/ DIPLING/2016	Ramaynalspat Private Limited	29
			BDN Enterprises Pvt Ltd	29
			Duggar Fiber Pvt Ltd	23
			MahendralnfratechPvt Ltd	19
7		AA/ONDSF/ DUARMARA/2016	OilMax Energy Private Limited	100
8		AA/ONDSF/JERAIPATHAR/2016	Indian Oil Corporation Ltd	100
9		AA/ONDSF/KHEREM/2016	Hindustan Oil Exploration Company Limited	40
	Oil India Limited		40	
	Prize Petroleum Company Limited		20	

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S.no	Location	Contract Area Name	Company Name	PI (%)
10	Gujarat	CB/ONDSF/ELAO/2016	PFH Oil and Gas Private Limited	100
11		CB/ONDSF/SOUTH PATAN/2016	South Asia Consultancy	100
12		CB/ONDSF/KHAMBEL/2016	Megha Engineering and Infrastructures Limited	100
13		CB/ONDSF/KAMBOI/2016	Nippon Power Limited	100
14		CB/ONDSF/WEST BECHRAJI/2016	Nippon Power Limited	100
15	Tamil Nadu	CY/ONDSF/NEDUVASAL/2016	GEM Laboratories Pvt Limited	100
16		CY/ONDSF/KARAIKAL/2016	Bharat PetroResources Limited	100
17	Andhara Pradesh	KG/ONDSF/ACHANTA/2016	PFH Oil and Gas Private Limited	100
18		KG/ONDSF/BHIMANAPALLI/2016	PFH Oil and Gas Private Limited	100
19		KG/ONDSF/KORAVAKA/2016	KEI-RSOS Petroleum & Energy Pvt Ltd	100
20		KG/ONDSF/SANARUDRAVARAM/2016	Prize Petroleum Company Limited	100
21	Rajasthan	RJ/ONDSF/BAKHRI TIBBA/2016	Bharat PetroResources Limited	100
22		RJ/ONDSF/SADEWALA/2016	Bharat PetroResources Limited	100
23	Madhya Pradesh	VN/ONDSF/NOHTA/2016	Indian Oil Corporation Ltd	100
24	Mumbai Offshore	MB/OSDSF/B-37/2016	Sun Petrochemicals Pvt. Ltd.	100
25	Mumbai Offshore	MB/OSDSF/B9/2016	AdaniWelspun Exploration Ltd.	100
26		MB/OSDSF/B15/2016	Bharat PetroResources Limited	100
27		MB/OSDSF/B127E/2016	Bharat PetroResources Limited	100

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S.no	Location	Contract Area Name	Company Name	PI (%)
28		MB/OSDSF/B80/2016	Hindustan Oil Exploration Company Limited	50
			Adbhoot Estates Private Limited	50
29		MB/OSDSF/D18/2016	Enquest Drilling Private Limited	10
			SKN Haryana City Gas Distribution Limited	90
30	Kutch Offshore	GK/OSDSF/KD/2016	Indian Oil Corporation Ltd	100
31	KG-Offshore	KG/OSDSF/GSKV1/2016	KEI-RSOS Petroleum & Energy Pvt Ltd	100

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Breakup of PSU, Private & Foreign- Companies awarded

PSUs

1. Prize Petroleum Company Limited
2. Indian Oil Corporation Ltd
3. Bharat PetroResources Limited
4. Oil India Limited

Private

1. Hindustan Oil Exploration Company Limited
2. OilMax Energy Private Limited
3. AdaniWelspun Exploration Ltd
4. MeghaEngineering and Infrastructures limited(**New**)
5. VijayasriBhaskar industries private limited(**New**)
6. Ramaynalspat Private Limited(**New**)
7. BDN Enterprises Pvt Ltd(**New**)
8. DuggarFiber Pvt Ltd(**New**)
9. MahendraInfratech Pvt Ltd(**New**)
10. PFH Oil and Gas Private Limited(**New**)
11. Nippon Power Limited(**New**)
12. GEM Laboratories Pvt Limited(**New**)
13. KEI-RSOS Petroleum & Energy Pvt Ltd(**New**)
14. Sun Petrochemicals Pvt. Ltd.(**New**)
15. Adbhoot Estates Private Limited(**New**)
16. Enquest Drilling Private Limited(**New**)
17. SKN Haryana City Gas Distribution Limited(**New**)

Foreign

1. South Asia Consultancy (**New**)