

Event: Launch of NIO and MRSC of OALP Bid Round-II

Monday, 07th January, 2019: Constitution Club, New Delhi

Press Release

Ministry of Petroleum and Natural Gas launched NIO and MRSC for Open Acreage Licensing Programme Bid Round-II in New Delhi

New Delhi, January 07, 2019: India is 3rd largest energy consumer in the world and likely to have one of the fastest growing energy demand of the world in the coming years. As a step to meet this growing demand and in line with Prime Minister's vision of achieving Energy Security and Sufficiency, the Ministry of Petroleum and Natural Gas (MoPNG) has steered a plethora of reforms in the recent past years. The Hydrocarbon Exploration and Licensing Policy (HELP) replacing the erstwhile New Exploration Licensing Policy (NELP) was approved in March 2016 and the Open Acreage Licensing Programme (OALP) along with the National Data Repository (NDR) were launched in June 2017 as the key drivers to accelerate the Exploration and Production (E&P) activities in India. The programme envisages six monthly periodic bidding rounds starting from July 1, 2017.

The first bidding round under **OALP (Bid Round I)** was launched in January 2018 and closed in May 2018 and 55 blocks covering 59,282 sq. km. area were awarded in October 2018.

The Government has now launched the **Bid Round-II** for International Competitive Bidding on **07th January, 2019 at an event chaired by the Hon'ble Petroleum Minister.** In this bid round 14 E&P blocks, with an area of approximately 30,000 sq. km. are being offered for bidding to the investor community under the investor friendly HELP regime. 10 blocks are based on Expressions of Interest submitted by the bidders, and 4 blocks have been carved out by the Government based on data received through the National Seismic Programme and the Resource Reassessment Study carried out by the Government.

The Government is also in advanced stages of finalizing the **OALP Bid Round III** with approximately 32,000 sq. km. of area and the bidding is expected to be launched within next few weeks.

With this successful roll out of the HELP/OALP regimes, together with the National Data Repository (NDR), Government has achieved a massive addition to the exploration acreage of India. The acreage which stood at approximately 90,000 sq. km. in 2017 was increased to 150,000 sq. km. after OALP I and would touch 2,10,000 sq. km after OALP Round II and III bidding exercises by May 2019 and is expected to touch 300,000 sq. km. by the end of the year 2019, with another two rounds of bidding expected to be finalized (IV and V) in 2019.

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The licensing programme under HELP which adopts the Revenue Sharing Model is a step towards improving the 'Ease of Doing Business' in the Indian Exploration and Production (E&P) sector. It comes with attractive fiscal terms like reduced royalty rates and no oil cess, marketing and pricing freedom, submission of Expression of Interests (EoIs) round the year, bid rounds commencing every six months and a single license to cover conventional and unconventional hydrocarbon resources.

The launch event was presided by Sh. Dharmendra Pradhan, Hon'ble Minister of Petroleum and Natural Gas, Minister of Skill Development and Entrepreneurship along with senior Government officials. He announced the bid round open with launch of Notice Inviting Offer (NIO) and Model Revenue Sharing Contract (MRSC) for OALP Bid Round-II. The Hon'ble Minister spoke on the occasion and gave his views on the achievements of his Ministry in accelerating the E&P activity in India and ensuring transparency and efficiency of the decision making process. The Secretary, Ministry of Petroleum and Natural Gas and the Director General, DGH also spoke on the occasion.

With the launch of Notice Inviting Offer (NIO), bidders can study the data available in National Data Repository (NDR) and select blocks for the bidding. The bidders would be able to submit their bids through an online e-bidding portal starting **8th January 2019** and the bidding round would continue till **12th March 2019**. The blocks are spread across 7 sedimentary basins, 14 blocks are on offer under OALP-II which includes 8 blocks (Onland), 5 blocks (Shallow Water) and 1 block (Ultra-Deep Water). It is expected that OALP Round II would generate immediate exploration work commitment of around USD 500-600 million.

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S. No.	NAME Of BLOCK	AREA (Sq. Km.)	STATE NAME	BASIN	ONLAND/OFFSHORE
1	RJ-ONHP-2018/1	417.44	Rajasthan	RAJASTHAN	Onland
2	CB-ONHP-2018/1	185.27	Gujarat	CAMBAY	Onland
3	CB-ONHP-2018/2	846.82	Gujarat	CAMBAY	Onland
4	CY-ONHP-2018/1	474.19	Tamil Nadu	CAUVERY	Onland
5	MN-ONHP-2018/1	2933.85	Odisha	MAHANADI	Onland
6	MN-ONHP-2018/2	2539.51	Odisha	MAHANADI	Onland
7	MN-ONHP-2018/3	3138.59	Odisha	MAHANADI	Onland
8	MN-ONHP-2018/4	3196.86	Odisha	MAHANADI	Onland
9	GK-OSHP-2018/1	1731.78	Western Shore	KUTCH	Offshore
10	GK-OSHP-2018/2	812.54	Western Shore	KUTCH	Offshore
11	AN-OSHP-2018/1	3669.25	Eastern Shore	ANDAMAN	Offshore
12	AN-OSHP-2018/2	5947.45	Eastern Shore	ANDAMAN	Offshore
13	MN-OSHP-2018/1	1825.07	Eastern Shore	MAHANADI	Offshore
14	KG-UDWHP-2018/1	1513.90	Eastern Shore	KRISHNA GODAVARI	Offshore
	Total	29232.52			

Details of Blocks on Offer (OALP Bid Round-III)*

S. No.	BASIN	Number of Blocks	AREA (Sq. Km.)	ONLAND/OFFSHORE
1	Assam-Arakan Basin	5	4261.78	Onland
2	Bengal-Purnea Basin	1	2468.00	Onland
3	Cambay Basin	2	1077.89	Onland
4	Cauvery Basin	2	1863.24	Onland
5	KG Basin	2	2831.24	Onland
6	Mahanadi Basin	1	2299.74	Onland
7	Mahanadi Basin	1	2491.31	Offshore
8	Rajasthan Basin	1	3016.34	Onland
9	Pranhita Godavari	1	625.00	Onland (CBM)
10	Satpura-South Reva-Damdar Basin	4	1332.00	Onland (CBM)
11	Kerala-Konkan Basin	1	3519.69	Offshore
12	Mumbai Offshore Basin	2	5936.02	Offshore
	Total	23	31722.25	

*Tentative

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Summary of Blocks awarded in OALP Bid Round-I

MoPNG awarded **55** Blocks spanning to an area of around **59282** sq. km. over **10** Sedimentary Basins of India attracted total committed investment of around USD **815mn.**

110 e-Bids were received from **9** bidders.

Summary of Awarded Blocks		
Awardee's Name	Numbers of Blocks	Area (Sq. Km)
Vedanta Ltd.	41	49,545
Oil India Ltd.	9	7907
ONGC Ltd.	2	1,456
HOEC Ltd.	1	79
GAIL	1	212
BPRL	1	174
	55	59,282