DGH/ADG-E/PRMS/2021

Date: March 10, 2021

To

All Exploration and Production Operators in India

Subject: Reporting of hydrocarbon reserves and resources as per PRMS standard


Sir,

This is in continuation of the above referred letters wherein Exploration and Production (E&P) Operators in India under the Production Sharing Contract (PSC) and Nomination regimes were advised to undertake declaration and reporting of petroleum resources of all commercial hydrocarbon discoveries in accordance with Petroleum Resources Management System (PRMS), revised June 2018, as published by the Society of Petroleum Engineers.

In pursuance of Memorandum no. DG/DGH/PRMS/2021 dated 10.03.2021 (Annexure-I) issued in this behalf, DGH further enjoins all E&P Operators in India, across all contractual regimes and all fields/blocks/contract areas, to take the following actions in conformance to the aforesaid PRMS standard:
i) Declaration and reporting of Petroleum resource of all commercial hydrocarbon discoveries, as per the indicative format at Annexure-II;

ii) Evaluation, classification, reporting and auditing of reserves and resources for conventional and unconventional hydrocarbons held by licensee/lessee; and

iii) Furnish reports to DGH in the format at Appendix to Annexure-I at the beginning of every financial year, effective from 1st April 2021, on the hydrocarbon reserves and resources held by them as licensee/lessee under the Act. The reported estimates of reserves/resources should be supported with requisite information on commercial maturity and range of uncertainty in assessment.

All E & P Operators in India are requested to adhere to the above stipulations.

Yours sincerely,

(Dr. C. Laxma Reddy)
ADG-Exploration

Enclo: A/a
To: The Chief Executive Officers,
All Exploration and Production Companies in India

In exercise of the powers conferred by the Central Government to the Directorate General of Hydrocarbons (DGH) under of Section 8 of the Oilfields (Regulation and Development) Act, 1948 (the Act) vide Notification No O-32011/33/2000-ONG.D-IV-Pt. dated 1st September, 2006 published in the Gazette of India (Extraordinary), DGH hereby enjoins all Exploration and Production (E&P) Operators in India to undertake evaluation, classification, reporting and auditing of the hydrocarbon reserves and resources held by them in conformance with the extant Petroleum Resources Management System (PRMS), as published by the Society of Petroleum Engineers and revised from time to time.

In particular, all E&P Operators are hereby enjoined to furnish reports to DGH at the beginning of every financial year, effective from 1st April 2021, on the hydrocarbon reserves and resources held by them as licensee/lessee under the Act as per the format prescribed at Appendix, in accordance with PRMS as revised in June 2018.

All E&P Operators in India are further enjoined to undertake declaration and reporting of petroleum resources of all commercial hydrocarbon discoveries in accordance with the above said PRMS.

The abovesaid requirements and stipulations shall apply, irrespective of the contractual regime or nature of licence/lease, in respect of all conventional and unconventional hydrocarbon resources in India.

(S.C.L. Das)
Director General
### Appendix

#### FORMAT FOR SUBMISSION OF INFORMATION ON HYDROCARBON RESERVES/RESOURCES AS ON 1ST APRIL OF EACH YEAR

<table>
<thead>
<tr>
<th>CRUDE OLI/CONDENSATE (MMT)</th>
<th>Company</th>
<th>Field / Block / Contract Area</th>
<th>Reservoir</th>
<th>Production</th>
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<th>Reserves</th>
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<td></td>
<td>Sub-Commercial</td>
<td>Contingent Resources</td>
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<td>Unrecoverable</td>
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<th>Prospective Resources</th>
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**Note:** Production is the Cumulative Production as of 31st March each year. The cells, shaded 'grey' need to be filled-in/appropriately opted.
Annexure-II

Determination of Commerciality

(Information to be submitted by all Exploration and Production (E & P) Operators in regard to determination of commerciality and a firm intention to proceed with development as per PRMS)

To,

1. The Government of India
2. The Directorate General of Hydrocarbon

Sub: Submission of information about commercial discovery under all contractual regimes and all fields, blocks and contract areas

Sir,

In pursuance of memorandum issued by DGH on ..........., I (name of the authorized signatory), for and on behalf of M/s ............. (Name of the Contractor), hereby notify that the Discovery notified on .................. (date) is determined to be commercial and Operator has firm intention to submit Field Development Plan (FDP) and proceed with development, details of which as per the prescribed format are given as under:

1. Block/Field/Contract area
2. Contractor Party (ies) with participating interest
3. Name of the Operator
4. Area of the Block /Field/ Contract Area (Sq. Km)
5. No. of wells drilled
6. Number of hydrocarbon interesting zones with geological age/formation
7. Zone and perforated interval tested
8. Results of MDT (if any)
   (zone thickness, fluid properties etc)
9. Results of DST (if any)
   a. Well production potential / AOFP
   b. Reservoir properties
   c. Reservoir Pressure & Temperature
10. Fluid properties / PVT properties
11. Fluid contact (if any)
12. Oil and Gas In-place (proved, probable & possible categories)
13. Recoverable (Ultimate Reserves)
   (proved, probable and possible categories)
14. Expected production profile of oil and gas (BOPD / MMSCMD)
15. Aerial extent of the pool / Field
16. Likely date of submission of development plan
17. Evidence to support a reasonable time-frame for development:
18. Expected development expenditure:
19. Likely facility to be employed:

A) It is also certified that till the date stated below we have not announced to public any information on the above mentioned Discovery except the information of discovery and Potential Commercial Interest (PCI) updated in factsheet on................ and................ respectively in DGH Portal and we undertake to restrict our announcement of the aforesaid information only as the information given above.

or

B) After ensuring that the information required as per the above format was available with the contractor, we have disclosed information related to this Discovery on................... (date) to ................................ (name the statutory authority or authorities) in pursuance of our obligation under........................................... (name the relevant statute or law), a copy of which was simultaneously endorsed/provided to DGH and the Government (copy enclosed for ready reference).

Note: In case information of this Discovery has been made under provision ‘B’, the company shall furnish information in this format within 3 days of the date of making such disclosure.

(Authorized signatory)

Name of the Contractor

Date:

Place: