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**Press Release**

**Ministry of Petroleum and Natural Gas signs contracts for 7 blocks awarded under Open Acreage Licensing Programme (OALP) Bid Round - IV**

Ministry of Petroleum and Natural Gas today signed contracts for 7 blocks awarded under Open Acreage Licensing Programme (OALP) Bid Round - IV. The Government had launched OALP Bid Round – IV on 27<sup>th</sup> August 2019. The Bid Round-IV offered 7 blocks (covering total area of approx. 18,500 sq.km.) under International Competitive Bidding (ICB) process. The bidding round closed on 31<sup>st</sup> October, 2019. Subsequent to evaluation, all 7 blocks were approved for award to ONGC, for which the Revenue Sharing Contracts have been signed today, in the presence of the Minister of Petroleum and Natural Gas and Steel, Shri Dharmendra Pradhan. The total area awarded today in the 7 Onland blocks is 18,510 sq.km.. The blocks are spread across 3 sedimentary basins.

Speaking on the occasion, Shri Pradhan highlighted the success of OALP Bid Rounds under the ambit of Hydrocarbon Exploration and Licensing Policy (HELP) introduced in the year 2016, primarily characterized by Revenue Sharing Mechanism replacing the earlier New Exploration and Licensing Policy (NELP) which had Production Sharing Mechanism. He also spoke on length on the multi-dimension initiatives being undertaken to make Indian E&P Sector lucrative, investor friendly and easy to govern and monitor.

The four OALP Bid Rounds, conducted till date were a success, with total of 94 blocks awarded covering an area of 1,36,790 Sq. Km to leading E&P companies. The operators of these blocks have since then initiated petroleum exploration activities or are in final stages of obtaining Petroleum Exploration Licenses (PELs).

The Hydrocarbon Exploration & Licensing Policy (HELP), which has adopted the Revenue Sharing contract model, is a giant step towards improving the 'Ease of Doing Business' in the Indian Exploration and Production (E&P) sector. It comes with attractive and liberal terms like reduced royalty rates, no oil cess, marketing and pricing freedom, round the year bidding, freedom to investors for carving out blocks of their interest, a single license to cover both conventional and unconventional hydrocarbon resources, exploration permission during the entire contract period, and an easy, transparent and swift bidding and awarding process. This was the maiden bidding round under the further liberalized policy terms, which focused on production maximization with higher weightage to work programme as part of evaluation criteria in Category I basin and no revenue share commitment as part of bidding parameters for category II and III basins.

With the successful roll out of the HELP/OALP regime, based on the world-class National Data Repository (NDR), the Government has achieved massive enhancement of exploration acreage in India. The exploration acreage which stood at approximately 80,000 sq. km. in 2019 from earlier regimes has now been enhanced to approx. 2,15,000 sq. km. after 4 rounds of OALP. The cumulative exploratory work commitment after the 4 rounds of OALP comprise 29,270 LKM of 2D Seismic Survey, 43,272 sq. km of 3D Seismic Survey, 369 Exploratory Wells and 290 Core Analysis to establish Shale Resources. This will generate an investment of approx. US\$ 2.35 billion over next 3 to 4 years in exploratory work alone.

The **5<sup>th</sup> cycle** of submitting Expressions of Interest (Eols) closed on 30<sup>th</sup> November 2019 and currently the **6<sup>th</sup> cycle** of Eol is open till March 31, 2020.

**Details of Blocks awarded in OALP IV:**

Company	Blocks Awarded	Category	Description (Type / Basin / State)	Area of Award (Sq. Kms)
Oil and Natural Gas Corporation Limited <b>(All 7 Blocks)</b>	RJ-ONHP-2019/1	Category-I	Onland / Rajasthan / Rajasthan	2,118.83
	VN-ONHP-2019/1	Category-II	Onland / Vindhayan / Madhya Pradesh	2,730.73
	VN-ONHP-2019/2	Category-II	Onland / Vindhayan / Madhya Pradesh	3,077.65
	VN-ONHP-2019/3	Category-II	Onland / Vindhayan / Madhya Pradesh	3,097.17
	VN-ONHP-2019/4	Category-II	Onland / Vindhayan / Madhya Pradesh	2,932.74
	VN-ONHP-2019/5	Category-II	Onland / Vindhayan / Madhya Pradesh	1,421.66
	BP-ONHP-2019/1	Category-III	Onland / Bengal Purnea / West Bengal	3,130.91
<b>Total</b>				<b>18,509.69</b>